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STATE OF HAWAII

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 1990

1959

PREPARED BY
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

RUSSEL S. NAGATA
COMPTROLLER

STATE OF HAWAII

Comprehensive Annual Financial Report
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June 30, 1990

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PART I: INTRODUCTION SECTION

STATE OF HAWAII

Principal Officials Finance-Related Functions

June 30, 1990

Russel S. Nagata
Comptroller

Governor	**John Waihee**
Director of Finance	**Yukio Takemoto**
Director of Taxation	**Richard F. Kahle, Jr.**
Comptroller	**Russel S. Nagata**

Notes:

The Director of Finance is also department head of the Department of Budget and Finance.

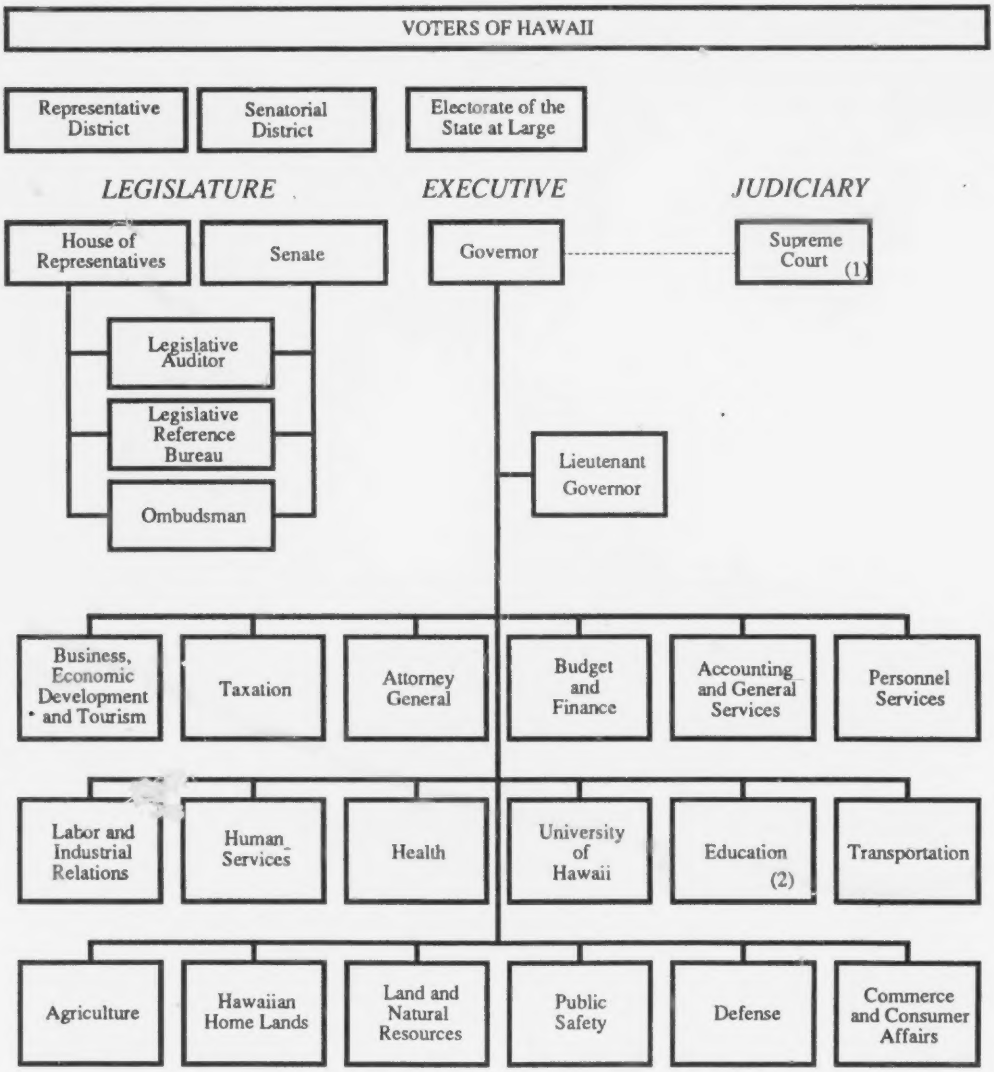
The Comptroller is also department head of the Department of Accounting and General Services.

An organization chart including these and other departments and agencies of the State of Hawaii government is presented on the following page.

STATE OF HAWAII

ORGANIZATIONAL CHART

June 30, 1990


VOTERS OF HAWAII
Representative District
Senatorial District
Electorate of the State at Large
LEGISLATURE
EXECUTIVE
JUDICIARY
House of Representatives
Senate
Governor
Supreme Court (1)
Legislative Auditor
Legislative Reference Bureau
Ombudsman
Lieutenant Governor
Business, Economic Development and Tourism
Taxation
Attorney General
Budget and Finance
Accounting and General Services
Personnel Services
Labor and Industrial Relations
Human Services
Health
University of Hawaii
Education (2)
Transportation
Agriculture
Hawaiian Home Lands
Land and Natural Resources
Public Safety
Defense
Commerce and Consumer Affairs

(1) The Governor's appointment of justices of the Supreme Court confirmed by the Senate.

(2) Board of Education elected.

JOHN WAIHEE
GOVERNOR

RUSSEL S. NAGATA
COMPTROLLER

JAMES H. YASUDA
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P. O. BOX 119
HONOLULU, HAWAII 96810-0119

December 21, 1990

To the Honorable Governor of the State of Hawaii
To the Honorable Members of the Sixteenth State
Legislature of the State of Hawaii

In accordance with the provisions of Section 40-5 of the Hawaii Revised Statutes, it is my privilege to present to you the Comprehensive Annual Financial Report of the State of Hawaii (State) for the fiscal year ended June 30, 1990. This report has been prepared by the State's Department of Accounting and General Services. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the State. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the State as measured by the financial activity of its various funds and account groups; and that all the information necessary to enable the reader to gain the maximum understanding of the State's financial affairs has been included.

The report is presented in three sections: introduction; financial; and statistical. The introduction section includes this transmittal letter, the State's organizational chart and a list of principal officials. The financial section includes the independent auditors' report, general purpose financial statements, notes to the general purpose financial statements, combining and individual fund and account group financial statements and schedules. The statistical section includes selected financial and demographic information.

The Reporting Entity and Its Services

This report includes the various funds and account groups comprising the State of Hawaii, including all entities that are controlled by or dependent on the State. The Employees' Retirement System of the State of Hawaii, which is administered on behalf of public employees for both the State and county governments, is not included in the State's general purpose financial statements since the State does not exercise oversight responsibility.

With Hawaii's highly centralized State government, the State provides a full range of services as mandated by statute. These services include, but are not limited to, education (lower and higher), welfare, transportation (highways, airports and harbors), health, hospitals, public safety, housing, culture and recreation, economic development and conservation of natural resources.

Accounting System and Budgetary Control

The State uses the modified accrual basis of accounting for the General, Special Revenue, Debt Service, Capital Projects, Expendable Trust and Agency Funds. Revenues are recognized when they become measurable and available to finance operations during the fiscal year or liquidate liabilities at the end of the fiscal year. Certain self-assessed taxes which consist of general excise, income, liquor and public service company taxes are recognized as receivables and deferred revenues when the tax returns are filed. The deferred revenues are not recognized as revenues until such time that the receivable is deemed to be collectible and available to pay liabilities of the current period, generally upon receipt of payment. Revenues which are not considered susceptible to accrual and therefore are not accrued include fines, forfeitures and penalties, licenses, permits and franchises. Expenditures are recorded on the accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term bond obligations, which are recognized when payment is due or when amounts have been accumulated in the Debt Service Fund for payments of principal and interest to be made early in the following fiscal year.

The State uses the accrual basis of accounting for the Enterprise and University Funds. Revenues are recognized when they are earned and expenses are recorded when they are incurred. Depreciation expense related to the University's plant fund assets is not recorded.

In developing and maintaining the State's accounting system, consideration is given to the effectiveness of the internal control structure. The internal control structure is designed to accomplish certain objectives of management including:

1. Transactions are executed in accordance with management's general and specific authorization.
2. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets.
3. Access to assets is permitted only in accordance with management's authorization.

We believe that the State's internal control structure is effective in accomplishing management's objectives.

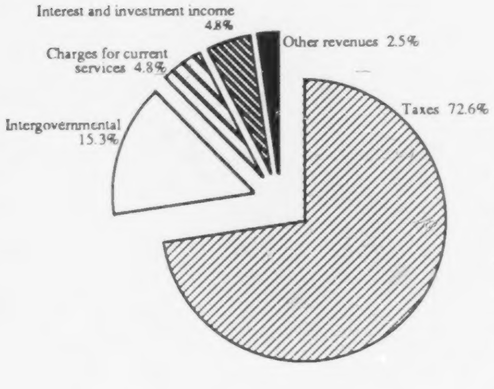
By statutory provision, the State prepares a biennium budget for its programs. Budgeted expenditures are derived primarily from the General Appropriations Act of 1989 as amended, and from other authorizations contained in the Hawaii Constitution, the Hawaii Revised Statutes and other specific appropriations acts in various Session Laws of Hawaii. Revenue estimates are provided to the State Legislature at the time of budget consideration and are revised and updated periodically during the fiscal year.

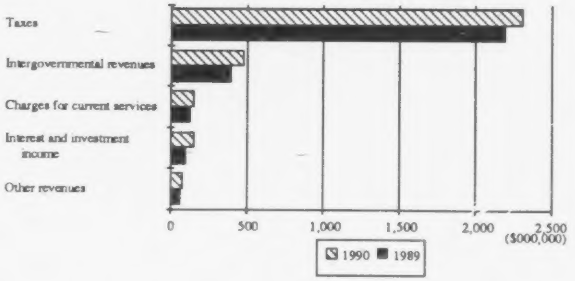
An allotment system and encumbrance accounting are utilized by the State for budgetary control purposes. Obligations in the form of purchase orders or contracts are recorded as encumbrances at the time purchase orders or contracts are awarded and executed. Open encumbrances are reported as reservations of fund balances at June 30, 1990. To the extent not expended or encumbered, General Fund and Special Revenue Funds appropriations subject to budgetary control generally lapse at the end of the fiscal year for which the appropriations were made. The State Legislature specifies the lapse date and any other particular conditions relating to terminating the authorizations for other appropriations.

General Governmental Functions

Revenues for general governmental functions are provided from the General, Special Revenue, Debt Service and Capital Projects Funds and totaled $3,181.8 million in fiscal 1990, representing an increase of 9.5 percent over fiscal 1989. The revenues from various major revenue sources and the changes from the previous fiscal year are presented in the following tabulation (expressed in millions):

Source	Fiscal 1990	Percent Of Total	Increase Over Fiscal 1989 Amount	Increase Over Fiscal 1989 Percent
Taxes	$ 2,310.3	72.6%	$ 114.3	5.2%
Interest and investment income	153.2	4.8	46.2	43.2
Charges for current services	153.3	4.8	19.5	14.6
Intergovernmental revenues	487.4	15.3	85.6	21.3
Other revenues	77.6	2.5	10.8	16.2
Total	$ 3,181.8	100.0%	$ 276.4	9.5%





The net increase of $114.3 million or 5.2 percent in tax revenues was primarily comprised of an increase in general excise taxes of $149.7 million and a decrease of $72.7 million in individual income taxes. The general excise tax increase is attributable to the improvement in the State's economy whereas the decrease in individual income tax is primarily due to a one-time $125 general income tax credit.

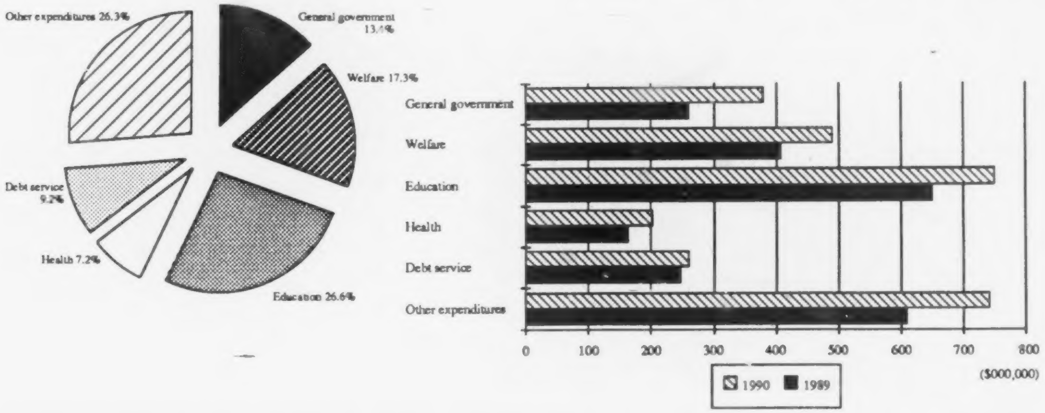
The increase of $46.2 million or 43.2 percent in interest and investment income over the previous fiscal year was due primarily to an increase in amounts available for investment and to a slightly higher yield.

Intergovernmental revenues increased $85.6 million or 21.3 percent over the previous fiscal year as a result of increased funding from the Federal government for the H-3 Freeway Project.

For further information on long-range trends in tax and non-tax revenues for general governmental functions, Part III contains a tabulation covering the last ten fiscal years (Schedule K-1).

Expenditures for general governmental functions totaled $2,831.6 million in fiscal 1990, representing an increase of 20.6 percent over fiscal 1989. The expenditures by function and the change from the previous fiscal year are presented in the following tabulation (expressed in millions):

Function	Fiscal 1990	Percent Of Total	Increase Over (Decrease From) Fiscal 1989	
			Amount	Percent
General government	$ 380.3	13.4%	$ 118.3	45.2%
Public safety	138.3	4.9	10.6	8.3
Highways	191.4	6.8	63.9	50.1
Conservation of natural resources	40.5	1.4	4.4	12.2
Health	203.9	7.2	38.5	23.3
Welfare	490.7	17.3	80.5	19.6
Education	751.7	26.6	98.9	15.2
Culture and recreation	73.3	2.6	2.1	3.0
Urban redevelopment and housing	11.5	0.4	(0.1)	(0.9)
Economic development and assistance	122.2	4.3	19.5	19.0
Social security and pension contributions	58.6	2.1	(12.3)	(17.4)
Other expenditures	34.1	1.2	13.8	68.0
Intergovernmental expenditures	73.5	2.6	31.2	73.8
Debt service	261.6	9.2	13.7	5.5
Total	$ 2,831.6	100.0%	$ 483.0	20.6%



The increase of $118.3 million or 45.2 percent in expenditures for general government over the previous fiscal year was comprised primarily of increased funding for employee health benefits and for land acquisitions in the downtown and West Oahu areas.

Expenditures for highways increased $63.9 million or 50.1 percent over the previous fiscal year. The construction of the H-3 Freeway comprised the largest portion of the increase.

Expenditures for welfare increased $80.5 million or 19.6 percent over the previous fiscal year. Increased funding for services to individuals and families, aid to families with dependent children and Medicaid programs comprise most of the increase.

Expenditures for education increased $98.9 million or 15.2 percent over the previous fiscal year. The increase was primarily for instructional services and capital improvements.

For further information on long-range trends in the expenditures for general governmental functions, Part III contains a tabulation covering the last ten fiscal years (Schedule K-2).

The operations of the State's General Fund for fiscal 1990 resulted in an unreserved-undesignated fund balance of $456.3 million at June 30, 1990, compared with $629.2 million at June 30, 1989. The financial details of the General Fund's operations are included in the "Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balance - General Fund" in Part II.

Debt Administration

The amount of net general obligation bonded debt per capita is a useful indicator of the State's debt position to its citizens. The amount at June 30, 1990 was $1,744; a schedule with such information for the last ten fiscal years is presented in Part III of this report (Schedule K-3). The following table presents certain data regarding the general obligation bonds issued in fiscal 1990:

Date of Issue	Series	Interest Rates	Maturity Date	Amount
August 1, 1989	BO	6.10% - 6.60%	August 1, 1994/2002	$ 74,730,000
August 1, 1989	BP	5.75% - 6.60%	August, 1 1993/2009	47,355,000
November 28, 1989	BQ	6.00% - 8.25%	November 28, 1992/2009	80,005,160
June 1, 1990	BR	6.25% - 8.00%	June 1, 1993/2010	100,000,000

The general obligation bonds issued in fiscal 1990 were within the constitutional limitation established by the Constitutional Convention of 1978. The State Director of Finance's certification relative to the limitation is reproduced in Part III of this report.

The State's general obligation bonds have been rated Aa by Moody's Investors Service and AA by Standard & Poor's Corporation for a number of years.

During the current fiscal year, the Airports System issued $105.0 million of its Airports System Revenue Bonds, Series of 1989, and $100.0 million of its Airports System Revenue Bonds, Series of 1990. In addition, the Housing Finance and Development Corporation issued $120.1 million of its Single-Family Mortgage Purchase Revenue Bonds, Series A of 1989, and $16.5 million of its Rental Housing System Revenue Bonds, Series A of 1989. Information on the revenue bonds, for the last three fiscal years, is presented in the schedule contained in Part II of this report (Schedule F-4).

Cash Management

During fiscal 1990, the State Treasury earned $118.2 million for the General Fund by investing its temporary cash surpluses, an increase of $28.5 million from the amount earned in the previous fiscal year. The fiscal 1990 earnings represent an average investment yield of 7.80%, up from the 7.18% of the previous fiscal year.

Risk Management

The State maintains certain insurance coverages to satisfy bond indenture agreements as well as for other purposes, but is substantially self-insured for all other perils including workers' compensation. Expenditures for workers' compensation are appropriated annually.

Capital Projects Fund

Proceeds of general obligation bonds issued, primarily accounted for in the Capital Projects Fund, amounted to $180.0 million in fiscal 1990.

In accordance with the lapsing provisions of the various appropriations acts and laws relating to lapsing, capital improvement projects appropriations in the amount of $40.1 million lapsed during fiscal 1990. Authorized but unissued general obligation bonds totaled $350.3 million at June 30, 1990.

Enterprise Funds

The Enterprise Funds are comprised of the State's Airports, Harbors, Housing (comprised of the Hawaii Housing Authority and the Housing Finance and Development Corporation) and State Hospitals operations. Act 337, Session Laws of Hawaii of 1987, reorganized the Hawaii Housing Authority effective July 1, 1987. Act 337 transferred the housing finance, housing development and residential leasehold functions from the Hawaii Housing Authority to the Housing Finance and Development Corporation. The Housing Finance and Development Corporation was initially placed within the Department of Business and Economic Development and subsequently transferred to the Department of Budget and Finance for administrative purposes. The housing management function of the Hawaii Housing Authority remains with the Hawaii Housing Authority, which continues to be administratively placed within the Department of Human Services.

The retained earnings of Airports increased from $461.2 million in fiscal 1989 to $653.1 million in fiscal 1990. Operating revenues increased from $245.5 million in fiscal 1989 to $267.6 million in fiscal 1990, and operating and depreciation expenses also increased, from $95.6 million to $99.4 million between the respective periods. Outstanding bonds, included in long-term liabilities, at June 30, 1990 totaled $626.9 million, an increase from $451.3 million at June 30, 1989.

The retained earnings of Harbors increased from $101.5 million in fiscal 1989 to $113.9 million in fiscal 1990. Operating revenues increased from $31.0 million in fiscal 1989 to $32.9 million in fiscal 1990, and operating and depreciation expenses also increased, from $18.1 million to $18.7 million between the respective periods. Outstanding bonds, included in long-term liabilities, at June 30, 1990 totaled $112.8 million, a decrease from $117.2 million at June 30, 1989.

The retained earnings of Housing increased from $5.8 million in fiscal 1989 to $22.6 million in fiscal 1990. Operating revenues increased from $76.6 million in fiscal 1989 to $85.9 million in fiscal 1990, and operating expenses including depreciation also increased, from $78.6 million to $82.7 million between the respective periods. Contributions by the U.S. Department of Housing and Urban Development totaled $7.6 million in fiscal 1990, an increase from $6.5 million in fiscal 1989. Outstanding revenue bonds, included in long-term liabilities, totaled $507.0 million at June 30, 1990, an increase from $402.7 million at June 30, 1989.

The combined fund balances of the thirteen State Hospitals decreased from $69.4 million in fiscal 1989 to $45.6 million in fiscal 1990. Combined operating revenues increased from $93.3 million in fiscal 1989 to $96.2 million in fiscal 1990, and combined operating expenses including depreciation also increased, from $116.7 million to $132.7 million between the respective periods. Nonoperating revenues (expenses) and other operating transfers, consisting primarily of subsidies from other funds, totaled $.9 million in fiscal 1990.

University Funds

The combined fund balances of the University Funds increased from $705.3 million in fiscal 1989 to $758.4 million in fiscal 1990. In fiscal 1990, combined revenues and other additions totaled $210.5 million, and combined expenses and other deductions totaled $466.0 million. These represent increases over fiscal 1989 of $17.0 million and $30.6 million, respectively. Combined subsidies from other funds totaled $308.7 million in fiscal 1990, an increase from $280.1 million in fiscal 1989. Outstanding bonds totaled $31.4 million at June 30, 1990 and $32.7 million at June 30, 1989.

General Fixed Assets

The general fixed assets of the State are those used in the performance of general governmental functions. They exclude the fixed assets of the Enterprise and University Funds. As of June 30, 1990, the general fixed assets amounted to $1,730.9 million. Depreciation on general fixed assets is not recorded in the State's records.

Employees Union Contracts

The State Constitution grants public employees in Hawaii the right to organize for the purpose of collective bargaining. Each of the ten recognized bargaining units of which State employees are members, designates an employee organization as its exclusive representative in negotiations with the employer. Substantially all of the bargaining units have contractual agreements effective through June 30, 1993.

Independent Audit

Although the State statutes do not require an annual audit of all fund types and account groups of the State, the State engaged a firm of independent certified public accountants to audit the State's general purpose financial statements for the fiscal year ended June 30, 1990. The Independent Auditors' Report has been included in Part II of this report.

Economic Outlook

Led by tourism and investment spending, Hawaii's economy has experienced five years of above average growth through 1990. The total gross receipts of business activity in the State subject to excise and use tax (which applies to almost all goods and services sold) have increased an average 12.5 percent per year since 1986, with the first eight months of 1990 showing a 14.0 percent increase. State tax revenues have reflected this overall growth. The State enjoys one of the lowest unemployment rates in the nation (2.8 percent for the first ten months of 1990) and is expected to show a 4.4 percent increase in real Gross State Product for 1990 (as compared with an expected

1.0 percent increase in the Gross National Product). Approximately 40 percent of Hawaii's economy is supported by tourism related activities, while Federal defense expenditures and export agriculture constitute roughly 15 percent and 5 percent of the economy, respectively. Other emerging growth industries include high technology, astronomy, and other scientific research, telecommunications, educational services, and gourmet food products.

As Hawaii's major industry, tourism has shown itself to be resistant to economic downturns, registering only one yearly decline in visitor arrivals since 1949. Much of the stability of this activity is due to diversification of the State's visitor markets. Of the 6.6 million visitors to the State in 1989, 35 percent were from foreign countries, particularly Japan (about 20 percent of total visitors). This diversification of tourism through the development of foreign markets has helped the industry offset temporary problems encountered in any particular visitor market. In 1991, the visitor count is expected to increase by 2 percent to 7.1 million, in spite of the subdued economic environment. Tourism fuels growth in many other sectors of the State's economy including retailing, transportation, recreation, and professional services, as well as hotels and restaurants.

High quality resort and commercial development continues to characterize capital investment in the State, with most funding coming from Japanese and mainland U.S. sources. While planned investment has probably reached a plateau, the completion of current projects and shift in emphasis to residential construction will likely result in sustained construction activity at current levels for the next year or so.

Defense activity in Hawaii has been stable for many years, providing a buffer from economic fluctuations in the market economy. Military spending in Hawaii is primarily centered on the Islands' strategic location for national defense purposes rather than as a supplier of military hardware. Thus, the State has been relatively unaffected by defense cutbacks announced to date and could potentially gain some military units as the result of base closures in Asia.

Hawaii's primary export agricultural products of sugar and pineapple have experienced long-term declines in employment levels. Mechanization, marginal profitability, and labor demands by other industries have lessened the scope and impact of those activities within the State's economy, although they still occupy a considerable amount of land and are important providers of employment, particularly on the Neighbor Islands. While sugar and pineapple have waned, new areas of production such as macadamia nuts, papaya, gourmet coffee, and flower growing have become important sectors of the agricultural industry in Hawaii.

In 1991, a weak national economy and Hawaii's very tight labor supply situation are expected to result in an easing of the State's economic growth to a more sustainable rate, with sales and tax revenues slowing to single-digit percent increases. Most of the potential negative influences of a U.S. recession on the State will be cushioned by continued stability in tourism and investment activities in the coming year. Hawaii's economy is expected to grow between 3 to 4 percent in 1991, with a 2.6 percent growth in total jobs.

The State is also expected to be one of the faster growing states over the next ten years, according to projections by the U.S. Department of Commerce. That agency's most recent projections forecast Hawaii to have the sixth highest growth rate among the states for employment through the year 2000. These projections track very closely with State projections which anticipate continued growth in Hawaii's visitor markets and, consequently, its economy through the year 2010.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Hawaii for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1989. This was the first year that the State has received this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year.

I believe our current report continues to conform to the Certificate of Achievement Program requirements and I am submitting it to the GFOA to determine its eligibility for the certificate.

Acknowledgements

I wish to extend my appreciation to the staff of the various State agencies whose dedicated time and effort made the preparation of this report possible. Their combined efforts have produced a report that I believe will serve as a helpful source of information for anyone having an interest in the financial operations of our State.

Respectfully submitted,

RUSSEL S. NAGATA
Comptroller, State of Hawaii

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Hawaii

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1989

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.

Gary R. Norstrem
President

Jeffrey L. Esser
Executive Director

PART II: FINANCIAL SECTION

KPMG Peat Marwick

Certified Public Accountants

P.O. Box 4150
Honolulu, HI 96812-4150

Independent Auditors' Report

Comptroller
State of Hawaii
Honolulu, Hawaii

We have audited the general purpose financial statements of the State of Hawaii as of and for the year ended June 30, 1990, as listed in the accompanying table of contents under Part II: Financial Section. These general purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Enterprise Funds, comprised of the Department of Transportation - Airports and Harbors Divisions, the Hawaii Housing Authority, the Housing Finance and Development Corporation and the State Hospitals. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Enterprise Funds, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Hawaii as of June 30, 1990, and the results of its operations and the changes in financial position of its Enterprise Funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the accompanying table of contents under Part II: Financial Section are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Hawaii. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introduction and statistical sections (Parts I and III) of this report and, accordingly, express no opinion thereon.

KPMG Peat Marwick

Honolulu, Hawaii
December 21, 1990

Member Firm of
Klynveld Peat Marwick Goerdeler

STATE OF HAWAII

Exhibit A-1

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1990

(Amounts in thousands)

	Governmental Fund Types			
ASSETS AND OTHER DEBITS	General	Special Revenue	Debt Service	Capital Projects
Cash and short-term cash investments (note 4)	$ 503,606	$ 375,747	$ 22,074	$ 179,058
Receivables:				
Taxes (note 5)	30,338	-	-	-
Accounts and accrued interest, net (note 5)	-	3	-	-
Notes and loans, net (note 5)	1,171	65,002	-	-
Federal Government	-	-	-	-
Other	123	-	-	-
Due from other funds (note 15)	56,562	405	68	1,452
Investments (note 4)	520,334	5,088	-	27,298
Advances to Enterprise Funds (note 15)	13,443	-	-	-
Inventories:				
Materials and supplies	-	-	-	-
Developments in progress and dwelling units inventory	-	-	-	-
Restricted assets (notes 6 and 10)	-	-	-	-
Property, plant and equipment (notes 7, 8 and 10)	-	-	-	-
Less accumulated depreciation	-	-	-	-
Net property, plant and equipment	-	-	-	-
Other assets:				
Assets held by agents for State Deferred Compensation Plan (note 19)	-	-	-	-
Unamortized bond issue costs	-	-	-	-
Prepaid expenses	-	-	-	-
Other	-	25	-	-
Amount available in Debt Service Fund	-	-	-	-
Resources to be provided in future years for retirement of general long-term obligations	-	-	-	-
Total Assets and Other Debits	$ 1,125,577	$ 446,270	$ 22,142	$ 207,808

The accompanying notes are an integral part of the general purpose financial statements.

Proprietary Fund Type	Fiduciary Fund Type	Account Groups			
Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Obligations	University	Total (Memorandum Only)
$ 441,693	$ 565,409	$ -	$ -	$ 73,232	$ 2,160,819
517	-	-	-	-	30,855
53,908	-	-	-	9,671	63,582
279,940	-	-	-	17,435	363,548
25,322	-	-	-	12,136	37,458
3,559	-	-	-	1,916	5,598
14,271	-	-	-	36,025	108,783
26,829	21,603	-	-	24,574	625,726
-	-	-	-	-	13,443
3,471	-	-	-	8,912	12,383
86,760	-	-	-	-	86,760
908,037	-	-	-	-	908,037
1,771,349	-	1,730,886	-	675,358	4,177,593
(437,035)	-	-	-	-	(437,035)
1,334,314	-	1,730,886	-	675,358	3,740,558
-	145,905	-	-	-	145,905
17,742	-	-	-	-	17,742
470	-	-	-	326	796
712	-	-	-	-	737
-	-	-	68	-	68
-	-	-	2,062,487	-	2,062,487
$ 3,197,545	$ 732,917	$ 1,730,886	$ 2,062,555	$ 859,585	$ 10,385,285

(continued)

STATE OF HAWAII

Combined Balance Sheet - All Fund Types and Account Groups (Cont'd)

June 30, 1990

(Amounts in thousands)

	Governmental Fund Types			
LIABILITIES, EQUITY AND OTHER CREDITS	General	Special Revenue	Debt Service	Capital Projects
Liabilities:				
Vouchers and contracts payable	$ 24,498	$ 9,721	$ -	$ 10,205
Other accrued liabilities	-	-	-	-
Prepaid airport use charge (note 17)	-	-	-	-
Claims and judgments payable (note 12)	-	-	-	-
Due to employees under State Deferred Compensation Plan (note 19)	-	-	-	-
Due to individuals, businesses and counties	-	-	-	-
Due to other funds (note 15)	40,013	425	-	21,645
Advances from General Fund (note 15)	-	-	-	-
Due to Federal Government and others	-	-	-	-
Payable from restricted assets:				
Contracts payable, accrued interest and other	-	-	-	-
Matured revenue bonds and interest coupons payable	-	-	-	-
Revenue bonds payable, net (note 10)	-	-	-	-
Due to other funds (note 15)	-	-	-	-
General obligation bonds payable (note 9)	-	-	-	-
General obligation bonds payable (notes 9 and 12)	-	-	-	-
Matured bonds and interest payable	-	-	22,074	-
Notes, loans and installment contracts payable (notes 8 and 12)	-	-	-	-
Capital lease obligation (notes 12 and 17)	-	-	-	-
Deferred revenue	30,338	-	-	-
Accrued vacation payable (note 12)	-	-	-	-
Security deposits	-	-	-	-
Liabilities collateralized by HUD annual contributions (note 10)	-	-	-	-
Revenue bonds payable, net (note 10)	-	-	-	-
Other	-	-	-	-
Total Liabilities	94,849	10,146	22,074	31,850
Equity and Other Credits:				
Investment in fixed assets	-	-	-	-
Contributed capital (note 14)	-	-	-	-
Retained earnings - reserved	-	-	-	-
Retained earnings - unreserved	-	-	-	-
Fund balances (deficit):				
Reserved for refundable Federal grar[illegible]	-	-	-	-
Reserved for continuing appropriat[illegible]s	317,419	73,875	68	329,721
Reserved for receivables and advances	14,737	65,005	-	-
Reserved for investments	-	5,088	-	-
Reserved for Federal aid highway projects encumbrances	-	-	-	206,314
Reserved for unemployment compensation and others	-	25	-	-
Unreserved:				
Designated for future expenditures	242,255	55,376	-	-
Undesignated	456,317	236,755	-	(360,077)
Total Equity and Other Credits	1,030,728	436,124	68	175,958
Commitments and contingencies (notes 17, 18 and 19)				
Total Liabilities, Equity and Other Credits	$ 1,125,577	$ 446,270	$ 22,142	$ 207,808

Proprietary Fund Type	Fiduciary Fund Type	Account Groups			
Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Obligations	University	Total (Memorandum Only)
$ 23,600	$ 5,163	$ -	$ -	$ 15,384	$ 88,571
121,807	-	-	-	25,132	146,939
5,007	-	-	-	-	5,007
-	-	-	2,000	-	2,000
-	145,905	-	-	-	145,905
-	148,411	-	-	-	148,411
1,452	45,516	-	-	966	110,017
13,443	-	-	-	-	13,443
-	-	-	-	9,444	9,444
50,282	-	-	-	-	50,282
145	-	-	-	-	145
56,859	-	-	-	-	56,859
26	-	-	-	-	26
1,657	-	-	-	-	1,657
31,443	-	-	1,967,556	25,444	2,024,443
-	-	-	-	-	22,074
435	-	-	3,612	1,082	5,129
-	-	-	2,410	-	2,410
38,070	-	-	-	7,904	76,312
-	-	-	86,977	-	86,977
1,329	-	-	-	-	1,329
84,166	-	-	-	-	84,166
1,219,061	-	-	-	5,988	1,225,049
21,610	6,079	-	-	9,825	37,514
1,670,392	351,074	-	2,062,555	101,169	4,344,109
-	-	1,730,886	-	654,693	2,385,579
692,003	-	-	-	-	692,003
260,097	-	-	-	-	260,097
529,485	-	-	-	-	529,485
-	-	-	-	11,460	11,460
-	-	-	-	-	721,083
-	-	-	-	-	79,742
-	-	-	-	-	5,088
-	-	-	-	-	206,314
3,844	381,843	-	-	39,231	424,943
-	-	-	-	-	297,631
41,724	-	-	-	53,032	427,751
1,527,153	381,843	1,730,886	-	758,416	6,041,176
$ 3,197,545	$ 732,917	$ 1,730,886	$ 2,062,555	$ 859,585	$ 10,385,285

STATE OF HAWAII

Exhibit A-2

Combined Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances (Deficit) - All Governmental Fund Types and Expendable Trust Funds

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Total (Memorandum Only)
Revenues:						
Taxes	$ 2,138,475	$ 171,781	$ -	$ -	$ 78,362	$ 2,388,618
Interest and investment income	129,589	23,602	-	-	28,795	181,986
Charges for current services	86,107	67,175	-	-	83	153,365
Intergovernmental	9,632	477,725	-	-	3,193	490,550
Rentals	5,521	8,500	-	-	-	14,021
Fines, forfeitures and penalties	16,242	2,028	-	-	-	18,270
Licenses and fees	4,166	1,482	-	-	-	5,648
Donations, contributions and deposits	-	-	-	-	11,943	11,943
Revenues from private sources	3,655	703	-	-	-	4,358
Accrued interest on general obligation bonds sold	975	-	-	-	-	975
Other	20,459	13,953	-	-	79	34,491
Total Revenues	2,414,821	766,949	-	-	122,455	3,304,225
Other Financing Sources:						
Proceeds from general obligation bonds	-	-	-	180,005	-	180,005
Proceeds from refunding general obligation bonds (note 9)	-	-	122,085	-	-	122,085
Operating transfers in from other funds (note 16)	-	71,774	258,481	166,714	-	496,969
Total Other Financing Sources	-	71,774	380,566	346,719	-	799,059
Total Revenues and Other Financing Sources	$ 2,414,821	$ 838,723	$ 380,566	$ 346,719	$ 122,455	$ 4,103,284

(continued)

The accompanying notes are an integral part of the general purpose financial statements.

STATE OF HAWAII

Combined Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances (Deficit) - All Governmental Fund Types and Expendable Trust Funds (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Total (Memorandum Only)
Expenditures:						
Current:						
General government	$ 332,858	$ 17,475	$ -	$ -	$ -	$ 350,333
Public safety	100,530	32,194	-	-	-	132,724
Highways	203	54,254	-	-	-	54,457
Conservation of natural resources	23,182	13,937	-	-	-	37,119
Health	147,835	32,847	-	-	-	180,682
Welfare	268,860	221,670	-	-	-	490,530
Lower education	580,991	85,434	-	-	-	666,425
Other education	11,486	5,094	-	-	-	16,580
Culture and recreation	40,982	16,523	-	-	-	57,505
Urban redevelopment and housing	4,403	4,621	-	-	-	9,024
Economic development and assistance	78,858	30,582	-	-	-	109,440
Social security and pension contributions	58,581	-	-	-	-	58,581
Expendable Trust Funds	-	-	-	-	60,255	60,255
Other	18,402	15,567	-	-	-	33,969
Intergovernmental	73,471	-	-	-	-	73,471
Capital outlay	-	-	-	299,119	-	299,119
Debt service	-	-	261,597	-	-	261,597
Total Expenditures	1,740,642	530,198	261,597	299,119	60,255	2,891,811
Other Financing Uses:						
Operating transfers out to other funds (note 16)	624,182	190,376	-	2,686	-	817,244
Payment to refunded bond escrow agent	-	-	119,156	-	-	119,156
Total Other Financing Uses	624,182	190,376	119,156	2,686	-	936,400
Total Expenditures and Other Financing Uses	2,364,824	720,574	380,753	301,805	60,255	3,828,211
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 49,997	$ 118,149	$ (187)	$ 44,914	$ 62,200	$ 275,073

STATE OF HAWAII

Combined Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances (Deficit) - All Governmental Fund Types and Expendable Trust Funds (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Total (Memorandum Only)
Other Changes in Unreserved-Undesignated Fund Balances:						
Add:						
Continuing appropriations, July 1, 1989	$ 251,761	$ 48,885	$ 255	$ 234,872	$ -	$ 535,773
Unreserved-designated for future expenditures, July 1, 1989	105,120	29,106	-	-	-	134,226
Deduct:						
Continuing appropriations, June 30, 1990	(317,419)	(73,875)	(68)	(329,721)	-	(721,083)
Unreserved-designated for future expenditures, June 30, 1990	(242,255)	(55,376)	-	-	-	(297,631)
	(202,793)	(51,260)	187	(94,849)	-	(348,715)
Increase in reserve for Federal aid highway projects encumbrances, unemployment compensation and others	-	-	-	(56,235)	(62,200)	(118,435)
Total Other Changes in Unreserved-Undesignated Fund Balances	(202,793)	(51,260)	187	(151,084)	(62,200)	(467,150)
Excess of Revenues and Other Financing Sources over (under) Expenditures, Other Financing Uses and Other Changes in Unreserved-Undesignated Fund Balances	(152,796)	66,889	-	(106,170)	-	(192,077)
Unreserved-Undesignated Fund Balances (Deficit), July 1, 1989	629,188	169,866	-	(143,304)	-	655,750
Residual equity transfer out to Enterprise Funds	(20,075)	-	-	(110,603)	-	(130,678)
Unreserved-Undesignated Fund Balances (Deficit), June 30, 1990	$ 456,317	$ 236,755	$ -	$ (360,077)	$ -	$ 332,995

STATE OF HAWAII

Exhibit A-3

Combined Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds (Note 3)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	General Fund			Special Revenue Funds		
	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)
Revenues:						
Taxes	$ 2,282,029	$ 2,138,475	$ (143,554)	$ 78,178	$ 171,781	$ 93,603
Interest and investment income	53,953	129,589	75,636	9,432	23,602	14,170
Charges for current services	55,423	86,107	30,684	43,623	67,175	23,552
Intergovernmental	4,718	9,632	4,914	441,497	477,725	36,228
Rentals	4,418	5,521	1,103	5,627	8,500	2,873
Fines, forfeitures and penalties	13,811	16,242	2,431	1,361	2,028	667
Licenses and fees	3,288	4,166	878	424	1,482	1,058
Revenues from private sources	2,207	3,655	1,448	822	703	(119)
Accrued interest on general obligation bonds sold	700	975	275	-	-	-
Other	1,373	20,459	19,086	7,070	13,953	6,883
Total Revenues	2,421,920	2,414,821	(7,099)	588,034	766,949	178,915
Other Financing Sources - operating transfers in from other funds	37,886	36,697	(1,189)	386	76,654	76,268
Total Revenues and Other Financing Sources	$ 2,459,806	$ 2,451,518	$ (8,288)	$ 588,420	$ 843,603	$ 255,183

The accompanying notes are an integral part of the general purpose financial statements.

STATE OF HAWAII

Combined Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds (Note 3) (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	General Fund			Special Revenue Funds		
	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)
Expenditures:						
Current:						
General government	$ 454,059	$ 442,023	$ 12,036	$ 21,620	$ 12,908	$ 8,712
Public safety	176,137	172,598	3,539	40,439	28,309	12,130
Highways	-	-	-	94,425	67,038	27,387
Conservation of natural resources	28,544	28,207	337	4,357	3,490	867
Health	171,911	169,280	2,631	40,309	32,940	7,369
Welfare	290,251	281,895	8,356	219,823	199,584	20,239
Lower education	598,846	581,731	17,115	95,063	85,784	9,279
Other education	13,708	13,168	540	5,254	5,045	209
Culture and recreation	63,369	61,954	1,415	36,650	20,224	16,426
Urban redevelopment and housing	14,981	14,841	140	8,082	3,382	4,700
Economic development and assistance	87,535	85,257	2,278	45,216	23,347	21,869
Social security and pension contributions	58,581	58,581	-	-	-	-
Other	18,026	16,956	1,070	18,020	12,517	5,503
Intergovernmental	73,118	73,118	-	-	-	-
Total Expenditures	2,049,066	1,999,609	49,457	629,258	494,568	134,690
Other Financing Uses - operating transfers out to other funds	664,986	662,317	2,669	-	-	-
Total Expenditures and Other Financing Uses	2,714,052	2,661,926	52,126	629,258	494,568	134,690
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ (254,246)	$ (210,408)	$ 43,838	$ (40,838)	$ 349,035	$ 389,873

STATE OF HAWAII

Exhibit A-4

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - Enterprise Funds

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Operating Revenues:	
Concession fees	$ 243,604
Sales of dwelling units	3,487
Patient service revenues (net of contractual allowances and adjustments of $21,508)	94,335
Airport use charge	7,129
Rentals	44,775
Services and others	23,055
Interest	63,082
Other	3,174
Total Operating Revenues	482,641
Operating Expenses:	
Personal services	102,086
Nursing services	45,804
Interest	47,552
Depreciation	39,986
Repairs and maintenance	15,275
Cost of sales - dwelling units	2,666
Airports operations	14,932
Harbors operations	1,305
Fireboat operations	924
Loan servicing fees and amortization of bond issue costs	1,255
General administration	55,079
Other	6,586
Total Operating Expenses	333,450
Operating Income	$ 149,191

The accompanying notes are an integral part of the general purpose financial statements.

STATE OF HAWAII

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - Enterprise Funds (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Nonoperating Revenues (Expenses):	
Interest income	$ 42,677
Aviation fuel tax	7,321
Interest expense	(32,729)
Amortization of bond discount and bond issue costs	(95)
HUD annual contributions	7,655
Donations and grants	114
Other	995
Total Nonoperating Revenues (Expenses)	25,938
Income before Operating Transfers In and Extraordinary Item	175,129
Operating Transfers In From(note 16):	
General Fund	9,416
Capital Projects Fund	2,204
Total Operating Transfers In	11,620
Income before Extraordinary Item	186,749
Extraordinary Item -	
loss from early redemption of revenue bonds payable (note 20)	(596)
Net Income	186,153
Depreciation on contributed fixed assets that reduces contributed capital	10,989
Retained Earnings/Fund Balance*, July 1, 1989	638,008
Retained Earnings/Fund Balance*, June 30, 1990	$ 835,150

* Fund balance relates to State Hospitals only.

STATE OF HAWAII

Exhibit A-5

Combined Statement of Changes in Financial Position - Enterprise Funds

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Sources of Working Capital:	
Operations:	
Income before extraordinary item	$ 186,749
Items not requiring use of (providing) working capital:	
Depreciation	39,986
Amortization of bond discount and bond issue costs	1,392
Amortization of discount on U. S. Government securities	(498)
Loss on disposal of facilities	6
Amortization of deferred commitment fees	(46)
Recognition of deferred gain	(34)
Working capital provided from operations before extraordinary item	227,555
Extraordinary item -	
loss from early redemption of revenue bonds payable	(596)
Add noncash amount related to write-off of unamortized bond issue costs	596
Working capital provided from operations	227,555
Contributed capital:	
Residual equity transfer in from:	
General Fund	20,075
Capital Projects Fund	110,603
Federal grants	15,750
HUD annual contributions	3,614
Revenue bond proceeds	341,645
Disposal of property, plant and equipment	764
Repayments of mortgage loans receivable	29,236
Repayments of notes and loans receivable	2,014
Decrease in other noncurrent assets	332
Net increase in liabilities payable from restricted assets	13,442
Increase in security deposits	16
Increase in deferred commitment fees	1,781
Increase in other long-term liabilities	12,159
Total Sources of Working Capital	$ 778,986

The accompanying notes are an integral part of the general purpose financial statements.

STATE OF HAWAII

Combined Statement of Changes in Financial Position - Enterprise Funds (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Uses of Working Capital:	
Net increase in restricted assets	$ 493,596
Additions to property, plant and equipment	196,289
Increase in accrued interest receivable	186
Additions to mortgage loans receivable	25,067
Increase in notes and loans receivable	1,127
Increase in investments - U. S. Government securities	14,404
Increase in developments in progress	18,568
Increase in bond issue costs	6,276
Decrease in HUD-secured liabilities	1,828
Redemptions and current maturities of long-term debt	54,774
Increase in unamortized bond discount	3,139
Total Uses of Working Capital	815,254
Net Decrease in Working Capital	$ (36,268)
Elements of Net Decrease in Working Capital:	
Current assets:	
Cash and short-term cash investments	(33,773)
Receivables	8,435
Due from other funds	12,095
Investments	(21,358)
Inventories	28,880
Unamortized bond issue costs, current portion	34
Prepaid expenses and other assets	130
Current liabilities:	
Vouchers and contracts payable	(3,011)
Other accrued liabilities	(21,801)
Prepaid airport use charge	100
Due to other funds	(586)
General obligation bonds payable, current portion	57
Deferred revenue	(4,966)
Liabilities collateralized by HUD annual contributions, current portion	(136)
Custodial funds and deposits	(37)
Other current liabilities	(331)
Net Decrease in Working Capital	$ (36,268)

Exhibit A-6

Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances - University Funds

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Current Funds		Loan	Endowment
	Unrestricted	Restricted	Funds	Funds
Revenues and Other Additions:				
Educational and general revenues:				
Tuition and fees	$ 16,489	$ -	$ -	$ -
Federal appropriations, grants and contracts	5,550	71,485	369	-
State and local grants and contracts	4	9,638	-	-
Private gifts, grants and contracts	-	8,259	-	18
Sales and services	-	9	-	-
Endowment income and others	444	1,293	-	-
Auxiliary enterprises revenues	39,616	-	-	-
Investment income	-	-	536	1,248
Expended for plant facilities	-	-	-	-
Contributions for plant facilities	-	-	-	-
Contributions for renewals and replacements	-	-	-	-
Contributions for debt retirement	-	-	-	-
Decrease in allowance for uncollectible loans	-	-	2,029	-
Other	10,869	336	10	-
Total Revenues and Other Additions	72,972	91,020	2,944	1,266
Expenditures and Other Deductions:				
Educational and general expenditures:				
Instruction	146,169	10,097	-	-
Research	40,715	52,151	-	-
Public service	14,075	13,607	-	-
Academic support	40,585	2,180	-	-
Student services	17,412	2,304	-	-
Institutional support	27,055	453	-	-
Operation and maintenance of plant	39,646	878	-	-
Scholarships and fellowships	295	8,105	-	-
Auxiliary enterprises expenditures	37,181	-	-	-
Independent operation expenditures	3,056	434	-	-
Expenditures for plant facilities	-	-	-	-
Loan cancellations, write-offs and allowance for uncollectible loans	-	-	452	-
Debt retirement and interest	-	-	-	-
Disposal and write-off of plant facilities	-	-	-	-
Other	-	-	102	-
Total Expenditures and Other Deductions	$ 366,189	$ 90,209	$ 554	$ -

The accompanying notes are an integral part of the general purpose financial statements.

Plant Funds				
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Total
$ -	$ -	$ -	$ -	$ 16,489
246	-	351	-	78,001
-	-	-	-	9,642
-	-	-	856	9,133
-	-	-	-	9
-	-	-	-	1,737
-	-	-	-	39,616
16	-	134	-	1,934
-	-	-	26,762	26,762
-	-	-	7,686	7,686
-	14	-	-	14
-	-	175	1,276	1,451
-	-	-	-	2,029
-	-	-	4,790	16,005
262	14	660	41,370	210,508
-	-	-	-	156,266
-	-	-	-	92,866
-	-	-	-	27,682
-	-	-	-	42,765
-	-	-	-	19,716
-	-	-	-	27,508
-	-	-	-	40,524
-	-	-	-	8,400
-	-	-	-	37,181
-	-	-	-	3,490
261	434	-	-	695
-	-	-	-	452
-	-	3,165	-	3,165
-	-	-	5,216	5,216
-	-	5	-	107
$ 261	$ 434	$ 3,170	$ 5,216	$ 466,033

(continued)

Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances - University Funds (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Current Funds		Loan	Endowment
	Unrestricted	Restricted	Funds	Funds
University Interfund Transfers In (Out):				
Mandatory:				
Principal and interest	$ (2,719)	$ -	$ -	$ -
Renewals and replacements	(190)	-	-	-
Contributions to Loan Funds	(41)	-	41	-
Voluntary:				
Renewals and replacements	(1,263)	-	-	-
Quasi-endowment - unrestricted principal	(13)	-	-	13
Quasi-endowment - restricted principal	-	(15)	-	15
Reinvestment of endowment income	(354)	(65)	-	419
Contributions to Loan Funds	(436)	-	436	-
Total University Interfund Transfers In (Out)	(5,016)	(80)	477	447
Operating Transfers In (note 16):				
General Fund	308,050	123	-	-
Capital Projects Fund	-	-	-	-
Total Operating Transfers In	308,050	123	-	-
Net Increase in Fund Balances	9,817	854	2,867	1,713
Fund Balances, July 1, 1989	43,215	3,687	16,594	24,976
Fund Balances, June 30, 1990	$ 53,032	$ 4,541	$ 19,461	$ 26,689

Plant Funds				
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Total
$ -	$ -	$ 2,931	$ (212)	$ -
-	190	-	-	-
-	-	-	-	-
-	1,263	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,453	2,931	(212)	-
-	-	-	-	308,173
482	-	-	-	482
482	-	-	-	308,655
483	1,033	421	35,942	53,130
2,758	3,994	1,456	608,606	705,286
$ 3,241	$ 5,027	$ 1,877	$ 644,548	$ 758,416

1. Financial Statements Presentation

General

The accompanying general purpose financial statements of the State of Hawaii (State) present the financial position of the various fund types and account groups, the results of operations of the various fund types and the changes in financial position of the Proprietary Fund Type as of and for the fiscal year ended June 30, 1990.

Definition of Reporting Entity

The State has defined its reporting entity in accordance with National Council on Governmental Accounting (NCGA) Statement 3, as adopted by the Governmental Accounting Standards Board (GASB), "Defining the Governmental Reporting Entity." This statement provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity and how information about them should be presented. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of oversight responsibility is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Based on the application of these criteria, the following branches and departments have been determined to be component units of the State reporting entity and are included in the accompanying general purpose financial statements:

Executive:
- Accounting and General Services
- Agriculture
- Attorney General
- Budget and Finance
- Business, Economic Development and Tourism
- Commerce and Consumer Affairs
- Defense
- Education
- Hawaiian Home Lands
- Health
- Human Services
- Labor and Industrial Relations
- Land and Natural Resources
- Personnel Services
- Public Safety
- Taxation
- Transportation
- University of Hawaii

Judicial

Legislative

The State's general purpose financial statements do not reflect the financial position and results of operations of the Employees' Retirement System of the State of Hawaii (ERS) because oversight responsibility is held by the ERS Board of Trustees. The Board administers the ERS on behalf of public employees for both the State and county governments. Except for limited administrative functions, the State does not have the power to supervise or control the Board in the exercise of its functions, duties and powers.

Fund Accounting

The financial activities are recorded in individual funds classified by type and described in the following sections, each of which is deemed to be a separate accounting entity. The financial position and operations of each fund are accounted for in separate self-balancing accounts which represent the fund's assets, liabilities, equity, revenues and expenditures or expenses.

Account groups are used to establish accounting control and accountability for the State's general fixed assets and general long-term obligations. Account groups are not funds as they do not reflect available financial resources and related liabilities.

GOVERNMENTAL FUND TYPES

General Fund

Financial resources obtained and used for services traditionally provided by a state government, which are not accounted for in other funds, are accounted for in the General Fund.

Special Revenue Funds

Financial resources obtained from specific revenue sources and used for restricted purposes are accounted for in the Special Revenue Funds.

Debt Service Fund

Financial resources obtained and used for the payment of principal and interest on general long-term bond obligations are accounted for in the Debt Service Fund.

Capital Projects Fund

Substantially all financial resources obtained and used for the acquisition or construction of State general fixed assets and facilities are reflected in the Capital Projects Fund. Such resources are derived principally from proceeds of general obligation bond issues, Federal grants and operating transfers from the Special Revenue Funds.

PROPRIETARY FUND TYPE

Enterprise Funds are comprised of:

- Department of Transportation - Airports Division (Airports) which operates the State's airports and air navigation facilities and is responsible for general supervision of aeronautics within the State.

- Department of Transportation - Harbors Division (Harbors) which operates the State's commercial harbors.

- Housing Funds (Housing) comprised of the Hawaii Housing Authority (HHA) and the Housing Finance and Development Corporation (HFDC), which provide dwelling units for low- and moderate-income residents of the State.

- State Hospitals Fund (State Hospitals) which accounts for the operations of the State's hospitals and are comprised of the following:

  Hilo Hospital
  Honokaa Hospital
  Ka'u Hospital
  Kauai Veterans Memorial Hospital
  Kohala Hospital
  Kona Hospital
  Kula Hospital
  Lanai Community Hospital
  Leahi Hospital
  Samuel Mahelona Memorial Hospital
  Maluhia Hospital
  Maui Memorial Hospital and
    Hana Medical Center

The financial statements of the State Hospitals have been prepared in accordance with the American Institute of Certified Public Accountants (AICPA) Industry Audit Guide - Hospital Audit Guide.

FIDUCIARY FUND TYPE

Trust and Agency Funds

Transactions related to assets held by the State in a trustee or agency capacity are accounted for in the Trust and Agency Funds. Trust and Agency Funds are comprised of:

- Expendable Trust Funds which account for assets held in trust to be expended for designated purposes.
- Agency Funds which account for employee benefit receipts and payments to the Hawaii Public Employees Health Fund and the clearance accounts for State payroll and tax collections, including protested tax payments.

ACCOUNT GROUPS

General Fixed Assets Account Group

General Fixed Assets Account Group is used to account for all fixed assets of the State other than those accounted for in the Enterprise and University Funds.

General Long-Term Obligations Account Group

General Long-Term Obligations Account Group is used to account for the unmatured long-term general obligation bonds, excluding those accounted for in the Enterprise and University Funds. Certain claims and judgments payable, notes payable, installment obligations, capital lease obligation and accrued vacation payable for Governmental Fund Types are reflected in the General Long-Term Obligations Account Group.

UNIVERSITY FUNDS

Financial activities of State higher education institutions are accounted for in the University Funds (University). The financial statements of the University have been prepared in accordance with the AICPA Industry Audit Guide - Audits of Colleges and Universities.

2. Summary of Significant Accounting Policies

GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST AND AGENCY FUNDS

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The State uses the modified accrual basis of accounting for the General, Special Revenue, Debt Service, Capital Projects and Expendable Trust and Agency Funds. Under the modified accrual basis of accounting, revenues and related current assets are recognized in the accounting period when they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at year-end. Measurable means that the amount of the transaction can be determined. Available means that the amount is collected in the current fiscal year or soon enough after year-end to liquidate liabilities existing at the end of the fiscal year. Revenues susceptible to accrual include certain self-assessed taxes and Federal grants. Self-assessed taxes which consist of general excise, income, liquor and public service company taxes are recognized as receivables and deferred revenue when the tax returns are filed. Deferred revenue is not recognized as revenues until such time that receivables are deemed to be collectible and available to pay liabilities of the current period, generally upon receipt of payment. Similarly, anticipated refunds of such taxes are recorded as reductions in revenue in the period when the claim is received and the State's liability is estimatable. Revenues which are not considered susceptible to accrual and therefore are not accrued include fines, forfeitures and penalties, licenses, permits and franchises. Expenditures are recorded when the related fund liabilities are incurred with the exception that principal and interest on general long-term bond obligations are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments of principal and interest to be made early in the following fiscal year.

Encumbrances are recorded obligations in the form of purchase orders or contracts. The State records encumbrances at the time purchase orders or contracts are awarded and executed. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Investments

Investments are carried at cost or amortized cost.

Assets Held by Agents for the State Deferred Compensation Plan

Assets held by agents for the State Deferred Compensation Plan are carried at market value.

Accumulated Vacation and Sick Leave

State employees' accumulated vacation is expected to be liquidated with future expendable resources and therefore is accrued in the General Long-Term Obligations Account Group. Sick leave is not convertible to pay upon termination of employment and is recorded as an expenditure when taken.

Fund Balances

Portions of fund balances are reserved for the following:

- Continuing appropriations which are comprised of encumbrances and unencumbered allotment balances. Encumbrances represent outstanding commitments which generally are liquidated in the subsequent fiscal year. Unencumbered allotment balances represent amounts that have been released and made available for encumbrance or expenditures and are legally segregated for a specific future use.
- Notes receivables, advances and investments which are not currently available for expenditure at the balance sheet date.
- Federal aid highway projects encumbrances.
- Expendable trust fund balances which are restricted to the purpose of the account.

Portions of the unreserved fund balances are designated for future capital and operating expenditures. These designated fund balances represent appropriations which have not been allotted and are established to reflect tentative plans for future use of financial resources. It has been the policy of the State to limit such designations in the event that their accumulation and presentation would cause a negative unreserved, undesignated fund balance to occur.

PROPRIETARY FUND TYPE

Basis of Accounting

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital, fund balance and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accounts of the Proprietary Fund Type are reported under the accrual basis of accounting. Under this method of accounting, revenues are recognized when they are earned and expenses are recorded when they are incurred.

Investments

Investments in U. S. Government securities, corporate bonds and other short-term investments are stated at amortized cost. Investments in repurchase agreements and corporate stocks are stated at cost. Contributed investments are recorded at fair market value when received.

Inventories

Inventories, consisting of materials and supplies, developments in progress and dwelling units, are stated at the lower of cost or market. Cost is determined principally using the first-in, first-out method for materials and supplies and the specific identification method for developments in progress and dwelling units.

Property, Plant and Equipment

Property, plant and equipment acquired by purchase or construction are recorded at cost. Contributed property is recorded at fair market value at date of receipt. Airports facilities are depreciated on the straight-line basis over estimated useful lives of 20 to 45 years for land improvements, buildings and improvements and 10 years for machinery and equipment. Depreciation on Harbors facilities is provided on the straight-line basis over estimated useful lives using composite rates of 1% to 20% for land improvements, buildings and improvements and 8% for machinery and equipment. Depreciation on Harbors facilities is not provided for in the year of acquisition, but is provided for the entire year in the year of disposal.

Depreciation is provided by Housing on its property and equipment on the straight-line basis over estimated useful lives of 10 to 40 years for buildings and improvements and 3 to 10 years for equipment. Depreciation on State Hospitals facilities is provided on the straight-line basis over estimated useful lives of 5 to 50 years for buildings and improvements and 5 to 40 years for machinery and equipment.

Maintenance, repairs, minor replacements, renewals and betterments are charged to operations as incurred. Major replacements, renewals and betterments are capitalized. Disposal of assets are recorded by removing the cost and related accumulated depreciation from the accounts with the resulting gain or loss reflected in operations.

Depreciation on property acquired through grants is included in depreciation expense presented in the Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - Enterprise Funds and is transferred to the contributed capital account. Transfer of depreciation on Housing assets acquired or constructed from U. S. Department of Housing and Urban Development (HUD) annual contributions is limited to the lesser of the depreciation expense or HUD annual contributions received for the payment of debt principal.

Bond Issue Costs

Costs related to the issuance of bonds are capitalized and amortized using the straight-line method over the term of the obligations.

Unamortized Bond Discount

Bond discount is amortized using the effective interest method over the term of the related debt. The unamortized balance is offset against the related long-term debt.

Interest Cost

Total interest cost incurred for the fiscal year ended June 30, 1990 amounted to $99,594,000, of which $19,313,000 was capitalized as part of the acquisition cost of facilities.

HUD Annual Contributions

Housing receives contributions from HUD for payment of principal and interest on notes and bonds. The debt service contributions related to principal and interest are recognized as contributed capital and nonoperating revenue, respectively.

Profit Recognition of Dwelling Unit Sales

Revenues and profit from sales of dwelling units are recognized when the amount of revenue is measurable; that is, collectibility of the sales price is reasonably assured and the earnings process is complete.

Commitment Fees

Commitment fees collected in connection with the Single-Family Mortgage Purchase programs are deferred and amortized as an adjustment of the related loan's yield. The State has anticipated prepayments and is amortizing these amounts over an estimated economic life of twelve years. Costs relating to additional due diligence procedures performed by the State prior to acquiring the loans are expensed as incurred.

Restricted Assets Investments

Revenue bond indentures authorize the State's trustees to invest monies in certificates of deposit, money market funds and investment securities, including U. S. Government and agency obligations, certain municipal bonds and repurchase agreements. Uninsured certificates of deposit are required to be collateralized by investment securities of an equal or greater market value. The underlying securities for repurchase agreements are required to be U. S. Government or agency obligations of an equal or greater market value held by the State's agent in the State's name.

Medicare and Medicaid Reimbursements

Revenues from services reimbursed under Medicare and Medicaid programs are recorded at the estimated reimbursable amounts. Final determination of the amounts earned is subject to review by the fiscal intermediary or a peer review organization. In the opinion of management, adequate provision has been made for any adjustments that may result from such reviews.

ACCOUNT GROUPS

General Fixed Assets

General fixed assets are recorded at cost. Certain assets for which cost is not determinable have been valued at estimated historical cost. Contributed fixed assets are recorded at fair market value at the date of donation. Infrastructure assets consisting principally of highways, roads and bridges are expended in the Capital Projects Fund and are not capitalized or reported in the General Fixed Assets Account Group. Such assets are normally immovable and of value only to the State.

Depreciation is not provided on general fixed assets.

UNIVERSITY FUNDS

Basis of Accounting

The accounts of the University are reported using the current financial resources measurement focus.

The financial statements of the University have been prepared on the accrual basis of accounting with the following exceptions:

- Depreciation expense related to plant fund assets is not recorded.
- Revenues and expenditures of an academic term encompassing more than one fiscal year are solely reported in the fiscal year in which the program is predominantly conducted.

The Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances - University Funds is a statement of financial activities related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses. To the extent that current funds are used to finance plant fund assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and (3) as transfers of a voluntary nature for all other cases.

Fund Accounting

The financial activities of the University of Hawaii are recorded in funds which classify the various transactions by specified activities or objectives.

Tuition and fees of the University's fall and spring semesters and certain other receipts aggregating $33,761,000 in fiscal 1990 are deposited in the State's General Fund in accordance with Act 184, Session Laws of Hawaii of 1961 and other acts.

Restricted gifts, grants, endowment income and other restricted resources are accounted for in the Current Funds - Restricted , Loan Funds, Endowment Funds and Plant Funds. Revenues and expenditures reported in the Current Funds - Restricted are designated for specific current operating purposes. Transactions related to the various student loan programs are accounted for in the Loan Funds. Resources restricted for the acquisition of and investment in property, plant and equipment are accounted for in the Plant Funds.

Endowment Funds are subject to the donor restrictions requiring the principal to be invested in perpetuity with only income to be utilized.

ALL FUNDS

Deferred Compensation Plan

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all State employees, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property, or rights (until paid or made available to the employee or other beneficiary) are solely the property and rights of the State, subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the State Attorney General that the State has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The State believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Federal Grants

Federal grants and assistance awards made on the basis of entitlement periods are recorded as revenue when available and entitlement occurs. All other Federal reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures or expenses are incurred.

Intrafund and Interfund Transactions

Transfers of financial resources between departments and activities included within the same fund are eliminated. Transfers from funds receiving revenues to funds through which the resources are to be expended are recorded as operating transfers unless the transfer is considered to be nonrecurring or nonroutine transfers of equity, which are then recorded as residual equity transfers.

Total Columns on General Purpose Financial Statements

The total columns on the accompanying general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Information in these columns do not purport to present financial position, results of operations, or changes in financial position of the State in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation. Interfund balances and transactions have not been eliminated.

3. Budgeting and Budgetary Control

The budget of the State is a detailed operating plan identifying estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, services and activities to be provided during the fiscal year, (2) the estimated revenues available to finance the operating plan and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented and controlled. Revenue estimates are provided to the State Legislature at the time of budget consideration and are revised and updated throughout the fiscal year. Amounts reflected as budgeted revenues in the Combined Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds are those estimates as compiled by the Council on Revenues and the State Director of Finance. Budgeted expenditures are derived primarily from the General Appropriations Act of 1989 (Act 316, Session Laws of Hawaii of 1989), as amended by the Supplemental Appropriations Act of 1990 (Act 299, Sessions Laws of Hawaii of 1990), and from other authorizations contained in the Hawaii Constitution, the Hawaii Revised Statutes and other specific appropriations acts in various Session Laws of Hawaii.

All expenditures of these appropriated funds are made pursuant to the appropriations in the 1989-1991 biennial budget as amended by subsequent supplemental appropriations. The final legally adopted budget in the accompanying Combined Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds represents the original appropriations, supplemental appropriations, transfers and other legally authorized legislative and executive changes.

Budgetary control is maintained at the appropriation line item as established in the appropriations acts. The Governor is authorized to transfer appropriations within a State agency; however, transfers of appropriations between State agencies generally require legislative authorization. Records and reports reflecting the detail level of control are maintained by and are available at the Department of Accounting and General Services. During the fiscal year ended June 30, 1990, there were no expenditures in excess of appropriations at the legal level of budgetary control.

To the extent not expended or encumbered, General Fund appropriations generally lapse at the end of the fiscal year for which the appropriations were made. The State Legislature specifies the lapse date and any other contingencies which may terminate the authorization for other appropriations.

Budgets adopted by the State Legislature for the General and Special Revenue Funds are presented in the Combined Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) - General and Special Revenue Funds. The State's annual budget is prepared on the modified accrual basis of accounting with several differences, principally related to (1) the encumbrance of purchase order and contract obligations and equipment acquired through long-term financing (basis differences), (2) the accounting for transfers of debt service payments through the General Fund (perspective differences) and (3) special revenue funds which do not require legal appropriations (entity difference). The first two aforementioned differences represent departures from generally accepted accounting principles (GAAP).

A reconciliation of the budgetary to GAAP basis operating results for the fiscal year ended June 30, 1990 follows (amounts expressed in thousands):

	Funds	
	General	Special Revenue
Excess of revenues and other financing sources over (under) expenditures and other financing uses - actual (budgetary basis)	$ (210,408)	$ 349,035
Reserve for continuing appropriations at year-end	317,419	58,421*
Designated for future expenditures	242,255	-
Expenditures for liquidation of prior fiscal year encumbrances and designations	(299,269)	-
Expenditures for unbudgeted programs, principally expenditures for Federal grant projects and revolving funds	-	(289,307)
Excess of revenues and other financing sources over expenditures and other financing uses - GAAP basis	$ 49,997	$ 118,149

* Amount reflects the encumbrance balances (included in continuing appropriations) for budgeted programs only.

4. Cash and Investments

The State Director of Finance is responsible for the safekeeping of all monies paid into the State Treasury. The State Director of Finance may invest any monies of the State which in the Director's judgment are in excess of the amounts necessary for meeting the immediate requirements of the State. Legally authorized investments include obligations of or guaranteed by the U. S. Government, obligations of the State, federally-insured savings and checking accounts, time certificates of deposit and repurchase agreements with federally-insured financial institutions.

Information on cash and investments of the ERS is presented in note 18.

Cash

The State maintains approximately 20 bank accounts for various purposes at locations throughout the State and the nation. Bank deposits are under the custody of the State Director of Finance.

For demand or checking accounts and certificates of deposit, the State requires that the depository banks pledge collateral based on the daily available bank balances. The use of daily available bank balances to determine collateral requirements results in the available balances being under-collateralized at various times during the fiscal year. All securities pledged as collateral are held either by the State Treasury or by the State's fiscal agents in the name of the State.

The carrying amount of the State's total deposits as of June 30, 1990 was $2,722,328,000 (which includes $561,509,000 of cash, time certificates of deposit and money market accounts classified as restricted assets) and the corresponding bank balances which are represented were $2,926,229,000. The portion of such bank balances covered by Federal deposit insurance or by collateral held either by the State Treasury or by the State's fiscal agents in the name of the State totaled $2,873,810,000. The remaining bank balances of $52,419,000, the majority of which represents the Special Revenue Funds' cash in bank, were uninsured and uncollateralized. Such cash balances were held by fiscal agents in the State's name for the purpose of satisfying outstanding bond obligations.

Investments

The State holds investments both for its own benefit and as an agent for other parties. The State's investment of funds not required for immediate payments are predominantly comprised of U. S. Government securities.

The following table presents the State's investments at June 30, 1990 (amounts expressed in thousands), and provides information about the credit and market risks associated with the State's investments. The three types of credit risks are:

- Category 1 are investments which are insured or registered, or for which the securities are held by the State or its agent in the State's name.
- Category 2 are investments which are uninsured and unregistered for which the securities are held by the counterparty's safekeeping department or agent in the State's name.
- Category 3 are investments which are uninsured and unregistered for which the securities are held by the counterparty or by its safekeeping department or agent, but not in the State's name.

	Carrying Value	Market Value	Category		
			1	2	3
Investments:					
U. S. Government Securities Money Market Fund	$ 734	$ 733	$ -	$ -	$ 734
U. S. Government securities, at amortized cost	690,751	700,320	631,143	-	59,608
Treasury cash management mutual fund	615	615	-	-	615
Repurchase agreements	231,441	231,441	214,441	17,000	-
Corporate stocks and bonds	21,071	24,760	1,070	-	20,001
	944,612	957,869	846,654	17,000	80,958
Less restricted assets investments	(318,886)	(318,609)	(266,638)	-	(52,248)
	$ 625,726	$ 639,260	$ 580,016	$ 17,000	$ 28,710

5. Receivables

Taxes Receivable

At June 30, 1990, taxes receivable consisted of the following (amounts expressed in thousands):

	Funds	
	General	Enterprise - Airports
Public service company tax *	$ 26,003	$ -
Income taxes and other self-assessed taxes	4,335	-
Aviation fuel tax (note 10)	-	517
	$ 30,338	$ 517

* Under the Hawaii Revised Statutes, the public service company tax is levied on certain businesses based upon gross income. The tax is due at the beginning of the calendar year; however, a company may elect to pay the tax in four equal installments during the year. The taxes receivable balance consists primarily of uncollected installments.

Accounts and Accrued Interest Receivable

At June 30, 1990, accounts and accrued interest receivable consisted of the following (amounts expressed in thousands):

	Funds						
		Enterprise					
	Special Revenue	Airports	Harbors	Housing	State Hospitals	Total	University
Airport services and fees	$ -	$ 4,171	$ -	$ -	$ -	$ 4,171	$ -
Harbor services and fees	-	-	4,259	-	-	4,259	-
Hospital patient services	-	-	-	-	58,832	58,832	-
Accrued interest	-	6,940	978	9,689	-	17,607	594
Other	3	-	-	-	-	-	9,260
	3	11,111	5,237	9,689	58,832	84,869	9,854
Less allowance for doubtful accounts	-	(500)	(670)	-	(29,791)	(30,961)	(183)
Accounts and accrued interest receivable, net	$ 3	$ 10,611	$ 4,567	$ 9,689	$ 29,041	$ 53,908	$ 9,671

Notes and Loans Receivable

At June 30, 1990, notes and loans receivable, net of estimated uncollectible amounts, consisted of the following (amounts expressed in thousands):

General Fund		
Industrial Loans Guaranty	$	27
Molokai Task Force loans		249
Kauai Task Force loans		146
North Kohala Task Force loans		631
State disaster commercial loans		2
Molokai General Hospital		116
Total General Funds	$	1,171
Special Revenue Funds		
Agriculture:		
Farm loans		16,889
Hawaii agricultural products loans		112
Hawaii aquacultural loans		320
Business, Economic Development and Tourism:		
Commercial fishing vessel repairs and maintenance loans		83
Hawaii capital loans		7,549
Fisheries new vessel loans		1,695
State disaster loans		3
Molokai loans		59
Hawaii innovation loans		100
Hawaiian Home Lands*:		
Native Hawaiian Rehabilitation Fund loans		46
Statewide replacement loans		6,944
Maintenance, repair and renovation loans		687
Loan guaranty loans		252
Homesteaders loans		3,193
Homesteaders and non-homesteaders loans		539
Hawaiian Home Lands loans		1,588
Hawaiian Home Lands general loans		22,727
Farm loans		807
Office of Hawaiian Affairs:		
Economic development loans		17
Native Hawaiian loans		1,269
Veterans' loans		123
Total Special Revenue Funds	$	65,002
Enterprise Funds - Housing		
Mortgage loans		260,365
Notes and loans, net of deferred gain of $2,576 on sale of housing projects		19,575
Total Enterprise Funds - Housing	$	279,940
University Funds		
Student loans, net of allowance for doubtful accounts of $1,618	$	17,435

* Hawaiian Home Lands loans are generally collateralized by real property.

6. Restricted Assets

At June 30, 1990, restricted assets consisted of the following (amounts expressed in thousands):

	Enterprise Funds				
	Airports	Harbors	Housing	State Hospitals	Total
Cash	$ 59,041	$ 98,706	$ 11,611	$ 1,799	$ 171,157
Time certificates of deposit and money market accounts	366,188	17,055	7,109	-	390,352
Investments:					
U. S. Government securities, at amortized cost (total market value of $103,553)	37,477	14,156	52,197	-	103,830
Treasury cash management mutual fund	-	-	615	-	615
Repurchase agreements *	-	-	214,441	-	214,441
Net direct financing leases	6,660	17,414	-	-	24,074
Due from General Fund	-	1,260	-		1,260
Other	-	-	-	2,308	2,308
	$ 469,366	$ 148,591	$ 285,973	$ 4,107	$ 908,037

* The repurchase agreements are held by certain regulated financial institutions and are collateralized by U. S. Government securities with a market value of approximately $224,843 at June 30, 1990. The securities collateralizing the repurchase agreements are held by the State's agent in the State's name.

See note 4 for carrying amounts and market values of investments by type and investment risk categories.

Certain leases of State-owned special facilities to parties engaged in airline and maritime operations are accounted for as direct financing leases. At June 30, 1990, net direct financing leases consisted of the following (amounts expressed in thousands):

	Enterprise Funds		
	Airports	Harbors	Total
Total minimum lease payments receivable	$ 9,758	$ 54,717	$ 64,475
Estimated unguaranteed residual value	-	3,600	3,600
Less amount representing interest	(3,804)	(40,903)	(44,707)
	5,954	17,414	23,368
Cash with trustee and other	706	-	706
	$ 6,660	$ 17,414	$ 24,074

Minimum future rentals to be received under direct financing leases as of June 30, 1990 are as follows (amounts expressed in thousands):

	Enterprise Funds		
	Airports	Harbors	Total
Fiscal year ending June 30:			
1991	$ 807	$ 1,675	$ 2,482
1992	813	1,675	2,488
1993	816	1,675	2,491
1994	816	1,675	2,491
1995	816	1,675	2,491
Thereafter	5,690	46,342	52,032
	$ 9,758	$ 54,717	$ 64,475

7. Property, Plant and Equipment

Enterprise and University Funds

At June 30, 1990, property, plant and equipment consisted of the following (amounts expressed in thousands):

	Funds					
	Enterprise					
	Airports	Harbors	Housing	State Hospitals	Total	University
Land and land improvements	$ 359,309	$ 71,554	$ 30,473	$ 1,931	$ 463,267	$ 48,652
Buildings and improvements	337,111	131,596	173,650	93,223	735,580	384,897
Machinery and equipment	28,174	3,038	6,895	53,365	91,472	171,925
Library and other books	-	-	-	-	-	66,404
Livestock	-	-	-	-	-	378
	724,594	206,188	211,018	148,519	1,290,319	672,256
Less accumulated depreciation	(243,172)	(54,985)	(83,499)	(55,379)	(437,035)	-
	481,422	151,203	127,519	93,140	853,284	672,256
Construction in progress	398,619	78,781	-	3,630	481,030	3,102
	$ 880,041	$ 229,984	$ 127,519	$ 96,770	$ 1,334,314	$ 675,358

General Fixed Assets Account Group

Changes in general fixed assets during the fiscal year ended June 30, 1990 were as follows (amounts expressed in thousands):

	Land	Buildings And Improvements	Equipment	Construction In Progress	Total
Balance, July 1, 1989	$ 160,555	$ 1,092,213	$ 244,523	$ 66,578	$ 1,563,869
Additions	25,949	78,972	36,660	112,001	253,582
Deductions	-	(36)	(7,557)	(78,972)	(86,565)
Balance, June 30, 1990	$ 186,504	$ 1,171,149	$ 273,626	$ 99,607	$ 1,730,886

8. Notes, Loans and Installment Contracts Payable

Enterprise Funds - Housing

At June 30, 1990, the note payable consisted of an obligation to the U. S. Department of Agriculture, Farmers Home Administration amounting to $435,000. The note is payable in monthly installments of $2,207, including interest at 1%, through 2009 and is secured by property and rental receipts.

General Long-Term Obligations Account Group

At June 30, 1990, notes and installment contracts payable consisted of the following (amounts expressed in thousands):

Notes payable on behalf of the Department of Hawaiian Home Lands to Housing consisting of various notes maturing through 1994, at 7.5% interest	$ 1,248
Installment contract purchase note payable, at 6.49% interest, due in monthly payments of $83 through 1992	2,153
Installment contract purchase note payable, at 6.49% interest, due in monthly payments of $9 through 1992	196
Installment contract purchase note payable, at 6.9% interest, balance due in 1991	9
Installment contract purchase note payable, at 8.5% interest, balance due in 1991	6
	$ 3,612

University Funds

At June 30, 1990, installment contracts payable arising from purchases of certain equipment amounted to $1,082,000 with interest ranging from 8% to 12% per annum.

Debt service requirements to maturity on notes, loans and installment contracts payable for fiscal years ending June 30 are summarized below (amounts expressed in thousands):

	Enterprise Funds - Housing	General Long-Term Obligations Account Group	University Funds	Total Principal Required	Total Interest	Total Amount Required
Fiscal year						
1991	$ 22	$ 1,508	$ 509	$ 2,039	$ 271	$ 2,310
1992	22	1,395	372	1,789	141	1,930
1993	23	604	75	702	39	741
1994	23	82	71	176	16	192
1995	23	23	55	101	10	111
Thereafter	322	-	-	322	17	339
Total	$ 435	$ 3,612	$ 1,082	$ 5,129	$ 494	$ 5,623

9. General Obligation Bonds Payable

The State issues general obligation bonds primarily to provide for the acquisition and construction of major capital facilities. Although certain general obligation debt is being retired from the resources of the Enterprise and University Funds and is recorded in these funds, all general obligation bonds are backed solely by the full faith and credit of the State.

All issues except Series BL, issued December 6, 1988 and $31,110,160 of Series BQ, issued November 28, 1989, contain call provisions (call prices range from 103 to 100). Stated interest rates range from 3% to 8.7%.

At June 30, 1990, the general obligation bonds consisted of the following (amounts expressed in thousands):

Callable		$ 1,929,990
Noncallable		96,110
Total general obligation bonds outstanding		2,026,100
Less amount recorded as a liability of:		
Enterprise Funds including $1,657 payable from restricted assets	$ (33,100)	
University Funds	(25,444)	
		(58,544)
Amount recorded in the General Long-Term Obligations Account Group		$ 1,967,556

Proceeds of certain general obligation bonds have been contributed as capital to Housing. These bonds are recorded in the General Long-Term Obligations Account Group since principal repayments are funded through the General Fund. Housing reimbursed the General Fund approximately $2,453,000 for the interest portion of the debt service in fiscal 1990.

A summary of debt service requirements to maturity follows (amounts expressed in thousands):

	Principal	Interest
Fiscal year:		
1991	$ 151,254	$ 128,649
1992	157,790	112,953
1993	165,778	104,752
1994	158,340	95,045
1995	160,563	87,479
1996	147,186	76,615
1997	131,974	68,568
1998	123,700	61,308
1999	111,261	54,425
2000	107,160	52,477
2001	98,889	42,412
2002	$ 98,965	$ 36,889
2003	94,354	31,579
2004	86,140	26,746
2005	57,480	22,930
2006	53,405	29,623
2007	45,155	28,853
2008	36,385	29,017
2009	23,214	14,113
2010	14,430	14,384
2011	1,755	135
2012	922	29
	$ 2,026,100	$ 1,118,981

The State issued the following general obligation refunding bonds on August 1, 1989 to satisfy the debt service requirements of a portion of Series BA, issued in 1985, and Series BM, issued in 1988:

Date of Issue	Series	Interest Rates	Maturity Date	Amount
August 1, 1989	BO	6.10% - 6.60%	August 1, 1994/2002	$ 74,730,000
August 1, 1989	BP	5.75% - 6.60%	August 1, 1993/2009	47,355,000

The proceeds of Series BO and Series BP general obligation refunding bonds, along with other monies available for debt service, were placed in irrevocable trusts and used to purchase securities of the U.S. Government and related agencies at various interest rates and maturities sufficient to meet the debt service requirements of a portion of the following bond series:

Series	Principal Outstanding at June 30, 1989
BA	$ 64,820,000
BM	45,000,000

The assets are administered by trustees and are restricted for the retirement of the refunded debt. The liabilities for the refunded bond issues and the related securities and trust accounts are not included in the accompanying general purpose financial statements as the State defeased its obligation for payment of the bonds upon completion of these refunding transactions.

The advance refunding of certain Series BA bonds will reduce total debt service payments over the next 13 years by approximately $2,979,000 and provide an economic gain of approximately

$4,437,000. The economic effect of the advance refunding of the Series BM bonds cannot be reasonably measured as the issue bears interest at a variable rate. The bond indenture allows for these bonds to be redeemed at par.

In prior fiscal years, the State defeased certain other general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust accounts and the refunded bonds are not included in the State's general purpose financial statements. At June 30, 1990, $531,320,000 of bonds outstanding are considered defeased, including the current fiscal year's refunding transactions.

The State issued the following general obligation bonds in fiscal 1990 for the purpose of partially financing the costs of the construction, extension or improvement of various public projects, among which are public buildings and facilities, elementary and secondary schools, community college and university facilities, parks and other public purposes:

Date of Issue	Series	Interest Rates	Maturity Date	Amount
November 28, 1989	BQ	6.00% - 8.25%	November 28, 1992/2009	$ 80,005,160
June 1, 1990	BR	6.25% - 8.00%	June 1, 1993/2010	100,000,000

The State Constitution limits the amount of general obligation bonds which may be issued. As required by law, the State Director of Finance has confirmed that the State was within its legal debt limit on the aforementioned issues.

At June 30, 1990, general obligation bonds authorized but unissued consisted of the following (amounts expressed in thousands):

Purpose	Authorized But Unissued
General government	$ 11,432
Public safety	10,172
Highways	190,152
Conservation of natural resources	12,054
Health	18,460
Hospitals	898
Welfare	21,392
Education	77,726
Culture and recreation	39,780
Urban redevelopment and housing	9,820
Economic development and assistance	22,360
Airports	358
Water transport and terminals	99,494
Veteran services	52
Unallocated bond issue proceeds	(163,824)
	$ 350,326

Unallocated bond issue proceeds represent general obligation bond proceeds which have not been allocated to a specific purpose as of June 30, 1990.

10. Revenue Bonds and Liabilities Collateralized by HUD Annual Contributions

Enterprise Funds

Revenue bonds are backed by a pledge of resources derived from users of the related facilities and are not supported by the full faith and credit of the State. Certain Housing liabilities are collateralized solely by property and rental receipts and annual debt service contributions made by HUD.

At June 30, 1990, revenue bonds payable (net of unamortized bond discount) for Enterprise Funds consisted of the following (amounts expressed in thousands):

	Current (Payable From Restricted Assets)	Noncurrent	Total
Airports revenue bonds	$ 34,585	$ 601,366	$ 635,951
Airports special facility revenue bonds	315	6,240	6,555
Harbors capital improvement revenue bonds	3,836	87,699	91,535
Harbors special facility revenue bonds	-	16,750	16,750
Housing revenue bonds	18,123	507,006	525,129
	$ 56,859	$ 1,219,061	$ 1,275,920

During fiscal 1990, gains on early redemption of revenue bonds for Airports and Harbors were $44,000 and $19,000, respectively.

Airports Revenue Bonds

The Airports revenue bonds are payable solely from and collateralized by Airports revenue, which includes all aviation fuel taxes levied. The Airports revenue bonds are subject to redemption at the option of the State Director of Transportation and the State during specific years at prices ranging from 103-1/2 to 100.

The following is a summary of the outstanding Airports revenue bonds at June 30, 1990 (amounts expressed in thousands):

	Final Maturity Date	Interest Rates	Original Amount Of Issue	Outstanding
Series:				
1969	1994	4.90 - 5.90%	$ 40,000	$ 11,250
1969, second	1994	6.00 - 7.00	45,000	16,350
1970	1995	6.60 - 7.10	20,000	8,425
1970, second	1995	7.25 - 8.25	25,000	11,000
1971	1996	6.25 - 7.25	30,000	13,195
1971, second	1996	5.30 - 6.30	20,000	8,685
1972	1997	5.25 - 6.25	25,000	12,005
1974	1999	8.25 - 9.25	20,000	13,400
1975	2000	6.10 - 7.50	20,000	13,940
1977	2003	5.25 - 6.75	20,000	14,670
1983, refunding	2008	4.75 - 8.88	97,050	87,385
1983	2013	8.25 - 9.75	50,000	48,870
1984	2004	9.00 - 10.38	65,000	63,775
1986	2004	6.25 - 7.70	35,000	34,875
1987	2004	6.25 - 8.25	85,000	81,170
1989	2009	6.10 - 7.13	105,000	105,000
1990	2020	6.45 - 7.30	100,000	100,000
			$ 802,050	643,995
Less unamortized bond discount				(8,044)
				635,951
Less current portion (payable from restricted assets), net of unamortized bond discount				(34,585)
				$ 601,366

The certificate providing for the issuance of revenue bonds provides for the levying and collection of minimum net revenues to service and provide reserves for maturing debt principal, interest, sinking fund and replacement and maintenance reserve requirements, and also provides for the maintenance of certain insurance coverages for fire, workers' compensation and public liability. At June 30, 1990, $88,605,000 was on credit in the revenue bond debt service sinking fund and reserve accounts.

Airports Special Facility Revenue Bonds

Airports entered into three special facility lease agreements, one with Pan American World Airways, Inc. in 1972, one with Western Airlines, Inc. (merged with Delta Airlines, Inc. in 1987) in 1975 and another with Northwest Airlines, Inc. in 1983. The construction of the related facilities was financed by special facility revenue bonds issued by Airports in the amounts of $6,800,000, $2,300,000 and $2,200,000, respectively. These bonds are payable solely from and collateralized by certain rentals and other monies derived from the special facilities. On August 11, 1989, all remaining bonds under the $2,200,000 issue were redeemed as allowed under the indenture agreement.

The following is a summary of Airports special facility revenue bonds at June 30, 1990 (amounts expressed in thousands):

	$6,800 Issue	$2,300 Issue	Total
Current portion (payable from restricted assets)	$ 250	$ 65	$ 315
Noncurrent portion	4,550	1,690	6,240
	$ 4,800	$ 1,755	$ 6,555

Other pertinent information on the aforementioned bonds is summarized hereunder:

$6,800,000 Issue

These bonds have a stated maturity date of April 1, 2002 and bear interest at 8% per annum. The bonds are subject to early redemption at the option of Airports, at prices ranging from 102-1/2 to 100 plus interest depending on the dates of redemption, or at 100 plus interest if the facilities are destroyed or damaged extensively.

$2,300,000 Issue

These bonds bear interest at rates ranging from 6.1% to 6.5% and are subject to early redemption at the option of Airports, at prices ranging from 102-1/2 to 100 depending on the dates of redemption, or at 100 plus interest if the facilities are destroyed or damaged extensively.

The special facility leases are accounted for and recorded as direct financing leases. The remaining lease payments to be paid by the lessees (including debt service requirements on the special facility revenue bonds) are recorded as a restricted asset and the special facility revenue bonds outstanding are recorded as a liability.

Harbors Capital Improvement Revenue Bonds

The Harbors capital improvement revenue bonds are collateralized by a charge and lien on the gross revenues of commercial harbors and upon all improvements and betterments thereto and all funds and securities created in whole or in part from revenues or from the proceeds of any bonds issued. The Harbors capital improvement revenue bonds are subject to redemption at the option of the State Director of Transportation and the State during specific years at prices ranging from 102-1/2 to 100.

The following is a summary of the outstanding Harbors capital improvement revenue bonds at June 30, 1990 (amounts expressed in thousands):

Year of Issue	Final Maturity Date	Interest Rates	Original Amount Of Issue	Outstanding
1967	1997	5.200%	$ 20,000	$ 10,885
1978	2008	5.500 - 6.700	20,000	16,780
1983	2008	4.750 - 8.875	23,385	20,990
1986	2011	6.000 - 7.500	22,500	22,400
1989	2013	6.000 - 8.600	21,200	21,200
			$ 107,085	92,255
Less unamortized bond discount				(720)
				91,535
Less current portion (payable from restricted assets), net of unamortized bond discount				(3,836)
				$ 87,699

The certificate providing for the issuance of revenue bonds provides for the levying and collection of minimum net revenues to service and provide reserves for maturing debt principal, interest, sinking fund and replacement and maintenance reserve requirements, and also provides for the maintenance of certain insurance coverages for fire, workers' compensation and public liability. At June 30, 1990, $14,194,000 was on credit in the revenue bond debt service sinking fund and reserve accounts.

Harbors Special Facility Revenue Bonds

In 1980, the State Legislature authorized the issuance of special facility revenue bonds for the construction, acquisition, remodeling, furnishing and equipping of State-owned special facilities for lease to parties engaged in maritime operations.

Pursuant to this authorization, $15,700,000 of 8-1/2% special facility revenue bond anticipation notes were issued in 1981 to finance the construction of container terminal facilities on Sand Island for the exclusive use of Matson Terminals, Inc. In 1983, special facility revenue bonds of $16,750,000 were issued to extinguish the revenue bond anticipation notes and to provide additional funds for construction. These bonds, which bear interest at 10% per annum, mature on March 1, 2013, subject to optional redemption on or after March 1, 1993 at prices ranging from 103 to 100. Payment of the principal and interest on the bonds has been guaranteed by Matson Navigation Company, Inc., parent company of the lessee.

Housing Revenue Bonds

The State Legislature has enacted various acts which authorized the issuance of revenue bonds. Through June 30, 1990, $851,000,000 of revenue bonds have been issued. The revenue bonds are payable solely from and collateralized by the revenues and other monies and assets of the Housing Funds (comprised principally of investments and mortgage loans receivable aggregating $565,042,000), which are pledged under the indentures.

At June 30, 1990, such Housing serial and term revenue bonds payable were comprised of the following (amounts expressed in thousands):

	Year Of Issue	Final Maturity Date	Interest Rates	Original Amount Of Issue	Outstanding
Single-family mortgage purchase revenue bonds:					
Series A	1980	2010	7.25 - 8.400%	$ 100,000	$ 47,700
Series B	1980	2010	7.25 - 9.000	50,000	23,500
Series A	1983	2013	6.75 - 9.500	50,000	29,985
Series B	1983	2014	7.50 - 10.250	30,000	17,205
Series C	1983	2013	7.75 - 10.250	61,000	32,125
Series A	1984	2016	7.70 - 10.500	100,000	8,765
Series A	1985	2017	7.40 - 9.250	30,000	15,810
Series A	1986	2016	5.60 - 8.000	40,300	38,625
Series B	1986	2016	4.75 - 7.375	52,900	51,705
Series A	1988	2019	7.00 - 8.125	70,000	70,000
Series A	1989	2028	6.65 - 7.800	120,145	120,145
Home mortgage purchase revenue bonds - Series A	1981	1998	11.10 - 13.000	20,000	2,995
Multi-family housing revenue bonds:					
Series A	1985	2010	Variable	32,000	32,000
1985 issue	1985	1996	10.350	3,800	3,719
Rental housing system revenue bonds:					
Series A	1987	2018	Variable	14,950	14,350
Series A	1989	2025	Variable	16,500	16,500
				$ 791,595	525,129
Less current portion (payable from restricted assets)					(18,123)
					$ 507,006

Housing Liabilities Collateralized by HUD Annual Contributions

At June 30, 1990, liabilities collateralized by HUD annual contributions consisted of the following (amounts expressed in thousands):

U. S. Government loans, bearing interest at the existing rates charged to HUD by the U. S. Treasury (8% to 10% at June 30, 1990) maturing during the fiscal year ending June 30, 1991	$ 44,812
Federal Financing Bank note, due in decreasing annual payments, maturing at various dates through 2016 and bearing interest at 6.6%	12,106
Housing bonds payable	27,248
	84,166
Less current portion	(46,645)
	$ 37,521

Project costs are refinanced periodically to provide long-term financing on the low-rent programs. Property, rental receipts and HUD annual contributions are pledged as collateral.

On August 17, 1988, pursuant to certain provisions of the "Consolidated Omnibus Budget Reconciliation Act of 1985," HUD issued a policy statement stating that U. S. Government loans meeting certain criteria would be forgiven.

As of June 30, 1990, approximately $44,812,000 of outstanding U. S. Government loans meet the criteria to be forgiven by HUD. Housing expects that this debt will be forgiven upon action by HUD and continues to recognize the outstanding principal balance due on U. S. Government loans until such time that the debt is actually forgiven.

Housing issued housing bonds pursuant to Chapter 356 of the Hawaii Revised Statutes to provide permanent financing for low-income housing projects. The first five issues are callable after 10 years and the remaining issues are callable after 15 years from the date of issue. The housing bonds require annual level debt service payments. HUD's annual contributions for debt service and the excess of project revenues over project expenses are pledged as collateral.

Housing bonds payable at June 30, 1990 were comprised of the following (amounts expressed in thousands):

	Year Of Issue	Final Maturity Date	Interest Rate	Original Amount Of Issue	Outstanding
Housing bonds - Chapter 356:					
1st issue	1950	1991	2.125%	$ 6,050	$ 406
2nd issue	1953	1991	2.375	5,775	411
3rd issue	1955	1996	2.375	1,345	335
4th issue	1957	1998	3.000	1,195	391
5th issue	1958	1998	3.500	2,085	729
6th issue	1959	1998	3.500	2,025	726
7th issue	1961	2002	3.125	525	245
8th issue	1964	2005	3.375	8,235	4,560
9th issue	1964	2005	3.625	1,600	910
10th issue	1965	2006	3.625	3,355	2,030
11th issue	1966	2007	3.625	1,805	1,120
12th issue	1966	2007	4.500	3,605	2,335
13th issue	1968	2009	5.125	2,855	2,095
14th issue	1970	2009	5.750	14,595	10,955
				$ 55,050	$ 27,248

Principal maturities of the Enterprise Funds revenue bonds and liabilities collateralized by HUD annual contributions are as follows (amounts expressed in thousands):

	Revenue Bonds				Liabilities Collateralized By HUD Annual Contributions
	Airports	Harbors	Housing	Total	
Fiscal year ending June 30:					
1991	$ 34,900	$ 3,890	$ 18,123	$ 56,913	$ 46,645
1992	24,535	2,905	4,886	32,326	1,817
1993	27,430	3,080	5,065	35,575	1,523
1994	29,295	3,275	5,399	37,969	1,606
1995	29,455	3,485	6,038	38,978	1,658
Thereafter	504,935	92,370	485,618	1,082,923	30,917
	650,550	109,005	525,129	1,284,684	84,166
Less unamortized bond discount	(8,044)	(720)	-	(8,764)	-
	$ 642,506	$ 108,285	$ 525,129	$ 1,275,920	$ 84,166

University Funds

University revenue bonds are collateralized by current fund revenues and are not supported by the full faith and credit of the State. At June 30, 1990, revenue bonds were comprised of the following (amounts expressed in thousands):

	Series	Interest Rates	Outstanding
Student housing system at Manoa	B, C, D	3 - 3.500%	$ 2,200
Onizuka Center for International Astronomy	E	9.400	2,520
Mauna Kea Observatory Complex power line	F	7.450	1,027
Faculty housing program	A	2.875	241
			$ 5,988

At June 30, 1990, principal and interest maturities of the revenue bonds payable are as follows (amounts expressed in thousands):

	Principal	Interest
Fiscal year ending June 30:		
1991	$ 733	$ 361
1992	970	300
1993	372	252
1994	400	225
1995	431	196
Thereafter	3,082	570
	$ 5,988	$ 1,904

The Onizuka Center for International Astronomy revenue bonds are further secured by separate agreements between the University of Hawaii and two major users of the facility. The agreements provide that these two participants shall pay the University of Hawaii their proportionate share of the principal and interest payments due on the bond indebtedness along with any other cost associated with the bond. The agreements further provide that the participants shall continue to pay their share of the scheduled payments, or pay in full the outstanding balance of their proportionate share of the indebtedness in the event the participants discontinue their involvement with the facility prior to the liquidation of the bond indebtedness.

In April 1986, one of the participants paid in full the outstanding balance (approximately $1,442,000) of its proportionate share of the Series E revenue bond indebtedness. This amount is held in trust to provide for the future retirement of the participant's proportionate share of the Series E revenue bonds outstanding as it becomes due.

The Series F revenue bond proceeds were used to partially fund a power line to the Onizuka Center. The indebtedness is expected to be repaid by rebates from Hawaii Electric Light Co., Inc., which will own and operate the power line, and by contributions from users of the Onizuka Center. All of the bond obligations of the University Funds have provisions for early redemption at the option of the University of Hawaii Board of Regents. The premiums on bond redemption, as a percentage of the bond principal amount redeemed, range from 0.5% to 2.5%.

Revenue Bonds Authorized But Unissued

At June 30, 1990, revenue bonds authorized but unissued consisted of the following (amounts expressed in thousands):

Purpose	Authorized But Unissued
Welfare	$ 100,000
Higher education	(10)
Urban redevelopment and housing	660,407
Economic development and assistance	85,000
Airports	456,962
Water transport and terminals	27,521
	$ 1,329,880

Special Purpose Revenue Bonds

Hawaii Revised Statutes Section 39A authorizes the State (with legislative approval) to issue special purpose revenue bonds. Proceeds from these bonds are loaned to certain enterprises for projects deemed to be in the public interest. The bonds are not general obligations of the State and are payable solely from monies received by the State under project agreements with the recipients of the bond proceeds. Accordingly, the State has not included these bonds in its general purpose financial statements. Bonds outstanding at June 30, 1990 amounted to $540,220,000. At June 30, 1990, special purpose revenue bonds of $528,625,000 were authorized but unissued.

Improvement District Bonds

The Hawaii Community Development Authority is authorized to issue improvement district bonds under Hawaii Revised Statutes Section 206E. Proceeds from the bond issues are utilized to finance the redevelopment of districts designated by the State Legislature. The bonds are not general obligations of the State and are payable solely by the assessment liens on the real property of the designated district. Accordingly, the State has not included these bonds in its general purpose financial statements. Bonds outstanding as of June 30, 1990 amounted to $8,125,000.

11. Fund Balances

Governmental Fund Types and Expendable Trust Funds

Changes in the State's fund balances during the fiscal year ended June 30, 1990 are as follows (amounts expressed in thousands):

	Governmental Fund Types				Expendable
	General	Special Revenue	Debt Service	Capital Projects	Trust Funds
Fund balances (deficit), July 1, 1989:					
Reserved	$ 266,958	$ 115,448	$ 255	$ 384,951	$ 319,643
Unreserved:					
Designated for future expenditures	105,120	29,106	-	-	-
Undesignated	629,188	169,866	-	(143,304)	-
	1,001,266	314,420	255	241,647	319,643
Residual equity transfer out to Enterprise Funds	(20,075)	-	-	(110,603)	-
Changes in reserved fund balances:					
Increase (decrease) in reserve for continuing appropriations	65,658	24,990	(187)	94,849	-
Increase (decrease) in reserve for receivables and advances	(460)	2,993	-	-	-
Increase in reserve for investments	-	562	-	-	-
Increase in reserve for Federal aid highway projects encumbrances	-	-	-	56,235	-
Increase in reserve for unemployment compensation and others	-	-	-	-	62,200
	65,198	28,545	(187)	151,084	62,200
Increase in unreserved-designated for future expenditures	137,135	26,270	-	-	-
Increase (decrease) in unreserved - undesignated fund balances	(152,796)	66,889	-	(106,170)	-
Fund balances (deficit), June 30, 1990:					
Reserved	332,156	143,993	68	536,035	381,843
Unreserved:					
Designated for future expenditures	242,255	55,376	-	-	-
Undesignated	456,317	236,755	-	(360,077)*	-
	$ 1,030,728	$ 436,124	$ 68	$ 175,958	$ 381,843

* The deficit balance of $360,077 is shown net of unreserved fund balances - designated for future expenditures totaling $284,219 at June 30, 1990. The deficit balance resulted primarily from continuing appropriations and Federal encumbrances in excess of general obligation bonds issued.

At June 30, 1990, the Expendable Trust Funds fund balance reserved for unemployment compensation and others consisted of the following (amounts expressed in thousands):

Unemployment compensation	$ 365,079
Others	16,764
	$ 381,843

12. Changes in General Long-Term Obligations Account Group

Changes in the General Long-Term Obligations Account Group are as follows (amounts expressed in thousands):

	Claims and Judgments Payable	General Obligation Bonds Payable	Notes And Installment Contracts Payable	Capital Lease Obligation	Accrued Vacation Payable	Total
Balance, July 1, 1989	$ 3,400	$ 1,913,456	$ 6,573	$ 3,322	$ 79,801	$ 2,006,552
Bonds issued..................	-	302,090	-	-	-	302,090
Net increase in accrued vacation payable	-	-	-	-	7,176	7,176
Net decrease in claims and judgments payable........................	(1,400)	-	-	-	-	(1,400)
Bonds retired	-	(138,170)	-	-	-	(138,170)
Retirement of notes payable........................	-	-	(614)	-	-	(614)
Retirement of installment contracts payable	-	-	(2,347)	-	-	(2,347)
Retirement of capital lease obligation...........	-	-	-	(912)	-	(912)
Bonds extinguished by general obligation refunding bonds	-	(109,820)	-	-	-	(109,820)
Balance, June 30, 1990	$ 2,000	$ 1,967,556	$ 3,612	$ 2,410	$ 86,977	$ 2,062,555

13. Segment Information - Enterprise Funds

Segment information for the State's Enterprise Funds (see note 1 for individual fund descriptions) as of and for the fiscal year ended June 30, 1990 is as follows (amounts expressed in thousands):

	Airports	Harbors	Housing	State Hospitals	Total
Operating revenues	$ 267,637	$ 32,910	$ 85,859	$ 96,235	$ 482,641
Operating expenses:					
Depreciation	22,657	3,652	7,125	6,552	39,986
Other	76,707	15,083	75,576	126,098	293,464
	99,364	18,735	82,701	132,650	333,450
Operating income (loss)	168,273	14,175	3,158	(36,415)	149,191
Interest income	36,829	5,848	-	-	42,677
Interest expense	(24,776)	(7,953)	-	-	(32,729)
Amortization of bond discount and bond issue costs	-	(95)	-	-	(95)
HUD annual contributions	-	-	7,655	-	7,655
Other nonoperating revenue (expense)	7,365	152	-	913	8,430
Operating transfers in	-	-	-	11,620	11,620
Income (loss) before extraordinary item	187,691	12,127	10,813	(23,882)	186,749
Extraordinary item - loss from early redemption of revenue bonds payable	-	-	(596)	-	(596)
Net income (loss)	$ 187,691	$ 12,127	$ 10,217	$ (23,882)	$ 186,153
Capital contributions, net of depreciation charge	$ 11,784	$ 91,151	$ 36,118	$ -	$ 139,053
Net working capital	$ 166,392	$ 30,269	$ 206,816	$ (41,604)	$ 361,873
Total assets	$ 1,586,577	$ 414,439	$ 1,057,495	$ 139,034	$ 3,197,545
Bonds and other long-term liabilities:					
Payable from operating revenues	$ 626,908	$ 112,847	$ 567,231	$ 13,443	$ 1,320,429
Payable from restricted assets	$ 79,713	$ 10,871	$ 18,123	$ 262	$ 108,969
Fund equity	$ 816,614	$ 286,379	$ 378,592	$ 45,568	$ 1,527,153
Property, plant and equipment:					
Additions	$ 157,158	$ 26,166	$ 3,377	$ 9,588	$ 196,289
Deductions	$ 266	$ -	$ 489	$ 9	$ 764

14. Contributed Capital - Enterprise Funds

During the fiscal year ended June 30, 1990, contributed capital increased as follows (amounts expressed in thousands):

	Airports	Harbors	Housing	Total
Contributed capital, July 1, 1989	$ 151,744	$ 81,293	$ 319,913	$ 552,950
Federal grants	15,643	-	107	15,750
Residual equity transfer in from General Fund	-	1,349	18,726	20,075
Residual equity transfer in from Capital Projects Fund	350	90,061	20,192	110,603
HUD annual contributions	-	-	3,614	3,614
Transfer of depreciation from retained earnings	(4,209)	(259)	(6,521)	(10,989)
	11,784	91,151	36,118	139,053
Contributed capital, June 30, 1990	$ 163,528	$ 172,444	$ 356,031	$ 692,003

15. Interfund Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 1990 (amounts expressed in thousands):

	Due From	Due To	Advances To	Advances From
General Fund:				
Special Revenue Funds:				
Administrative Support	$ 180	$ -	$ -	$ -
All Other	245	-	-	-
Total Special Revenue Funds	425	-	-	-
Debt Service Fund	-	68	-	-
Capital Projects Fund	11,000	-	-	-
Enterprise Funds:				
Airports	26	-	-	-
Harbors	-	1,260	-	-
Housing	-	3,626	-	-
State Hospitals	-	-	13,443	-
Total Enterprise Funds	26	4,886	13,443	-
Trust and Agency Funds	45,111	-	-	-
University Funds - Current Funds - Unrestricted	-	35,059	-	-
	$ 56,562	$ 40,013	$ 13,443	$ -

	Due From	Due To	Advances To	Advances From
Special Revenue Funds:				
General Fund	$ -	$ 425	$ -	$ -
Trust and Agency Funds - tax collections	405	-	-	-
	405	425	-	-
Debt Service Fund -				
General Fund	68	-	-	-
Capital Projects Fund:				
General Fund	-	11,000	-	-
Enterprise Funds:				
Harbors	1,452	-	-	-
Housing	-	10,645	-	-
Total Enterprise Funds	1,452	10,645	-	-
	1,452	21,645	-	-
Enterprise Funds:				
General Fund	4,886	26	-	13,443
Capital Projects Fund	10,645	1,452	-	-
	15,531	1,478	-	13,443
Trust and Agency Funds:				
General Fund	-	45,111	-	
Special Revenue Funds - Highways	-	405	-	-
	-	45,516	-	-
University Funds:				
General Fund	35,059	-	-	-
Internal University Funds	966	966	-	-
	36,025	966	-	-
	110,043	110,043	13,443	13,443
Less amounts reflected as restricted assets	1,260	-	-	-
Less amounts reflected as payable from restricted assets	-	26	-	-
	$ 108,783	$ 110,017	$ 13,443	$ 13,443

16. Operating Transfers

Operating transfers between funds occur when a fund receiving revenues transfers resources to a fund where the resources are to be expended. For the fiscal year ended June 30, 1990, the operating transfers by fund are as follows (amounts expressed in thousands):

	Transfers In	Transfers Out
General Fund:		
Special Revenue Funds:		
Natural Resources	$ -	$ 9,500
Health	-	52,000
Human Services	-	1,291
Economic Development	-	2,422
Employment	-	(140)
Administrative Support	-	6,701
Total Special Revenue Funds	-	71,774
Debt Service Fund	-	234,819
Enterprise Funds - State Hospitals	-	9,416
University Funds:		
Current Funds - Unrestricted	-	308,050
Current Funds - Restricted	-	123
Total University Funds	-	308,173
	-	624,182
Special Revenue Funds:		
General Fund	71,774	-
Debt Service Fund	-	23,662
Capital Projects Fund	-	166,714
	71,774	190,376
Debt Service Fund:		
General Fund	234,819	-
Special Revenue Funds:		
Highways	22,499	-
Natural Resources	172	-
Economic Development	41	-
Administrative Support	950	-
Total Special Revenue Funds	23,662	-
	258,481	-
Capital Projects Fund:		
Special Revenue Funds:		
Highways	115,797	-
Administrative Support	50,917	-
Total Special Revenue Funds	166,714	-
Enterprise Funds - State Hospitals	-	2,204
University Funds - Plant Funds - Unexpended	-	482
	166,714	2,686
Enterprise Funds:		
General Fund	9,416	-
Capital Projects Fund	2,204	-
	11,620	-
University Funds:		
General Fund	308,173	-
Capital Projects Fund	482	-
	308,655	-
	$ 817,244	$ 817,244

17. Lease Commitments

Governmental Fund Types and Expendable Trust and Agency Funds

The State leases office facilities and equipment under various operating leases expiring through 1999 and equipment under a capital lease expiring in 1993. The capital lease obligation is reported in the General Long-Term Obligations Account Group and the related asset is reported in the General Fixed Assets Account Group at the present value of future minimum lease payments of $4,681,000. Future minimum lease commitments for noncancelable operating leases and capital lease as of June 30, 1990 are as follows (amounts expressed in thousands):

	Operating Leases	Capital Lease
Fiscal year ending June 30:		
1991	$ 15,775	$ 1,086
1992	11,986	1,086
1993	10,129	421
1994	8,356	-
1995	5,497	-
Thereafter	10,077	-
Total future minimum lease payments	$ 61,820	2,593
Amounts representing interest		(183)
Present value of future minimum lease payments		$ 2,410

Rent expenditures for the fiscal year ended June 30, 1990 amounted to $22,781,000.

Proprietary Fund Type - Enterprise Funds

Airport-Airline Lease Agreement

Airports has entered into an airport-airline lease agreement with 25 major airline carriers which expires on July 31, 1992. The lease agreement provides to the lessees the nonexclusive right to use the State's airport system facilities, equipment, improvements and services, in addition to occupying certain premises and facilities. In return, the lessees agreed to pay an airport use charge based on a computed rate per 1,000-pound units of approved maximum landing weight for each aircraft used in revenue landings. The current rate is calculated by dividing the excess of estimated airport expenses over estimated airport revenues by the estimated approved maximum landing weight for all the airlines under the agreement for the fiscal year. The interisland airport use charge was set at 28% of the use charge for overseas flights during fiscal 1990. For the fiscal year ended June 30, 1990, actual airport expenses exceeded airport revenues, as defined by the airport-airline lease agreement, resulting in a minimum use charge provision of $6,482,000.

The agreement established a prepaid airport use charge fund which consists of any excess payments of the airport use charge over the amount required (excess of expenses over revenues) for the immediately preceding fiscal year. Normally, the amount in this account is used in the computation of the use charge for the first six months of the next fiscal year. Should the amount in this account exceed 10% of the total airport use charge for the fiscal year, the airlines may advise disposition for use of such excess towards capital improvement projects, retirement of outstanding bond indebtedness, the major maintenance fund, an additional prepaid airport use charge fund or other purposes. No excess airport use charge payments were made for the fiscal year ended June 30, 1990.

Other Operating Leases

Airports leases building spaces and improvements to concessionaires, airline carriers and other airport users. The terms of these leases range from 5 to 15 years for concessionaires, 10 to 20 years for airline carriers and 5 to 55 years for other airport users. Concessionaire lease rentals are generally based on the greater of a percentage of sales or a basic minimum rent. Percentage rent included in concession fee income for the fiscal year ended June 30, 1990 was approximately $17,512,000.

Harbors leases land, wharf and building spaces under month-to-month revocable permits and long-term leases. The long-term leases expire during various years through 2054. These leases generally call for rental increases every ten years based on independent appraisals of the fair market value of the leased property.

Housing leases land to developers and home buyers. The leases are generally for 55 years with the last 25 years lease rent negotiated based on the fair market value of the land.

The following schedule presents the approximate future minimum lease rentals under noncancelable operating leases of the Enterprise Funds as of June 30, 1990 (amounts expressed in thousands):

	Airports	Harbors	Housing	Total
Fiscal year ending June 30:				
1991	$ 269,200	$ 4,200	$ 330	$ 273,730
1992	300,700	3,600	330	304,630
1993	297,700	3,600	330	301,630
1994	7,500	3,500	333	11,333
1995	5,000	3,100	351	8,451
Thereafter	58,000	65,000	16,584	139,584
	$ 938,100	$ 83,000	$ 18,258	$ 1,039,358

18. Retirement Benefits

Employees' Retirement System

All eligible employees of the State and counties are required by Chapter 88 of the Hawaii Revised Statutes to become members of the ERS, a cost sharing multiple-employer public employee retirement plan. The ERS provides retirement benefits as well as death and disability benefits. Prior to June 30, 1984, the plan consisted of only a contributory option.

In 1984, legislation was enacted to add a new noncontributory option for members of the ERS who are also covered under Social Security. Police officers, firefighters, judges, elected officials and persons employed in positions not covered by Social Security are precluded from the noncontributory option. The noncontributory option provides for reduced benefits and covers most eligible employees hired after June 30, 1984. Employees hired before that date were allowed to continue under the contributory option or to elect the new noncontributory option and receive a refund of employee contributions. All benefits vest after five and ten years of credited service under the contributory and noncontributory options, respectively.

The ERS provides basic pension benefits to individuals receiving pensions. Employer contributions to the ERS are comprised of normal cost plus level annual payments required to liquidate the unfunded accrued liability of the ERS.

The ERS uses the frozen initial liability method to calculate the unfunded accrued liability of the ERS.

Pension Benefit Obligation

The "pension benefit obligation" which follows is the actuarial present value of credited projected benefits. It is the standardized disclosure measure, prepared in accordance with GASB Statement No. 5, of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The pension benefit obligation is independent of the actuarial funding method used to determine contributions to the ERS. The basic purpose of the June 30, 1989 actuarial valuation was to determine the total employer contributions to the ERS, in accordance with the provisions of Chapter 88 of the Hawaii Revised Statutes.

The pension benefit obligation was determined as of June 30, 1989. The actuary employed by the ERS calculates credited projected benefits which include the following:

- Future monthly payments to pensioners who are receiving benefit payments on the valuation date and to beneficiaries, including any optional survivors' benefits.
- The potential future monthly service retirement benefits payable to inactive vested members based on their service credit and salary earned up to the date of termination.
- The portion of potential future monthly retirement and disability benefits payable to active members attributable to their service credit as of the valuation date and salary as projected to the benefit payment date plus the pro rata portion of certain death benefits.

The actuarial present value of credited projected benefits is the amount determined by the ERS' actuary by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest between the valuation date and the expected dates of payment) and the probability of benefit payments (by means of multiple-decrement probability tables for death, disability, retirement and withdrawal). The pension benefit obligation was determined based on an actuarial valuation at June 30, 1989. Significant actuarial assumptions used include: (a) a rate of return on investment of present and future assets of 8% per year compounded annually, (b) projected salary increases of 6-1/2% of which 5% is attributable to inflation and 1-1/2% is attributable to merit, (c) annual post-retirement cost of living increases of 2-1/2%, and (d) assumed rates of retirement, turnover, disability and mortality based upon the ERS' experience. There were no changes in actuarial assumptions from those used in the prior year valuation.

As of June 30, 1989, the pension benefit obligation and net assets available for benefits were as follows (amounts expressed in thousands):

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits and inactive members not yet receiving benefits	$ 1,818,186
Current employees:	
Accumulated employee contributions including allocated investment income	768,485
Employer-financed:	
Vested	1,058,636
Nonvested	931,542
Total pension benefit obligation	4,576,849
Net assets available for benefits	(3,674,273)
Pension benefit obligation in excess of net assets available for benefits	$ 902,576

The following table presents covered and total payroll for all employees, employer and employee contributions (amounts expressed in thousands) as well as the percentage of covered payroll each contribution represents. The contribution requirements reported below were actuarially determined.

Payroll:	
Covered	$ 992,681
Total	1,100,331
Employer contribution requirement:	
Determined	$ 21,137
Percentage of current year covered payroll	2.1%
Percentage of total contribution to contributions for all employers	72.2%
Contribution payments:	
Employer	$ 21,026
Employees	33,382
Percentage of current year covered payroll:	
Employer	2.1%
Employees	3.4%

Net Plan Assets

The ERS' net assets available for benefits of $3,674,273,000 include investments of $3,615,707,000. Investments are reported at original cost or amortized cost. Substantially all cash is invested in short-term investments.

All cash and short-term investments are insured by Federal deposit insurance or collateralized by securities held by the ERS' agent in the State's name. The following table summarizes the investments held at June 30, 1989 (amounts expressed in thousands):

	Cost	Market
Cash and short-term cash investments	$ 387,284	$ 385,888
Corporate stocks	1,402,133	1,620,292
U. S. Government securities and corporate bonds	1,130,296	1,142,829
Real estate mortgages	363,817	363,817
Insurance contracts	264,583	274,675
Real estate less accumulated depreciation of $425	67,594	68,019
	$ 3,615,707	$ 3,855,520

Historical Trend Information

Ten-year historical trend information designed to provide information about the progress made by the ERS in accumulating sufficient assets to pay benefits when due is presented in the separately issued Employees' Retirement System - State of Hawaii report for the fiscal year ended June 30, 1989.

Post-Retirement Health Care and Life Insurance Benefits

In addition to providing pension benefits, the State provides certain health care and life insurance benefits to retired State employees. Contributions are based upon negotiated collective bargaining agreements. State contributions for post retirement benefits, which are funded as accrued, aggregated $29,275,000 in fiscal 1990.

19. Commitments and Contingencies

Commitments to Repay General Obligation Bonds

The State has issued general obligation bonds in which repayments, including interest, are reimbursed from specific revenue sources of the Special Revenue Funds with terms corresponding to that of the related general obligation bonds. At June 30, 1990, outstanding commitments to repay general obligation bonds consisted of the following (amounts expressed in thousands):

Special Revenue Funds:	
Highways	$ 173,412
Natural Resources	506
Economic Development	466
Administrative Support	8,907
All Other	7,693
	$ 190,984

Accumulated Sick Leave

Sick leave accumulates at the rate of one and three-quarters working days for each month of service without limit, but may be taken only in the event of illness and is not convertible to pay upon termination of employment. However, a State employee who retires or leaves government service in good standing with 60 days or more of unused sick leave is entitled to additional service credit in the ERS. At June 30, 1990, accumulated sick leave approximated $640,108,000.

Deferred Compensation Plan

In 1983, the State established a deferred compensation plan which enables State employees to defer a portion of their compensation. Deferred compensation payable at June 30, 1990 amounted to $145,905,000.

Intergovernmental Expenditures

In accordance with Hawaii Revised Statutes Section 237D, 95% of revenues generated by the transient accommodations tax are to be distributed to the counties effective July 1, 1990.

Loan Commitments and Guarantee

Housing has outstanding commitments to purchase loans from participating lenders of approximately $167,100,000 at June 30, 1990.

Housing also has an agreement to guarantee up to $40,000,000 of mortgage loans with the ERS. Housing has guaranteed that upon the 120th day of any delinquency or default, it will either cure the arrearage of principal and interest or repurchase the delinquent loan. At June 30, 1990, approximately $15,970,000 in mortgage loans sold to the ERS are covered by the mortgage loan guarantee.

Construction and Service Contracts

At June 30, 1990, the Enterprise Funds had commitments of approximately $158,657,000 for construction and service contracts.

Insurance Coverage

The State maintains certain insurance coverages to satisfy bond indenture agreements as well as for other purposes, but is substantially self-insured for all other perils including workers' compensation. Expenditures for workers' compensation are appropriated annually.

Tax Credit

The State Constitution, as amended in 1978, provides that, beginning July 1, 1978, whenever the General Fund balance at the close of each two successive fiscal years exceeds 5% of General Fund revenues for each of the two fiscal years, the State Legislature, in the next regular session, must provide for a tax refund or tax credit to the taxpayers of the State. On June 19, 1990, Act 186 was enacted, providing for a general income tax credit of $60 for each qualified exemption to be deducted from income tax liability for the taxable year 1990. It is estimated that this tax credit will reduce income tax revenues by $54,000,000 for the fiscal year ending June 30, 1991.

Litigation

The State has been named as defendant in numerous lawsuits and claims arising in the normal course of operations. To the extent that the outcome of such litigation has been determined to result in probable financial loss to the State, such loss has been accrued in the general purpose financial statements. Of the remaining claims which aggregate approximately $95,774,000 a number of claims may possibly result in adverse judgments against the State. However, such claim amounts cannot be reasonably estimated. The litigation payments relating to the fiscal years ended June 30, 1990, 1989 and 1988 approximated $11,200,000, $3,510,000 and $7,690,000, respectively.

In the opinion of the State Attorney General, the outcome of all contingencies and litigation will not have a material adverse effect on the financial position of the State.

20. Extraordinary Item

Housing Funds

During the fiscal year ended June 30, 1990, Housing redeemed revenue bonds totaling $25,040,000. The related unamortized bond issue costs of $596,000 was written off when the early redemption was approved and is reflected as an extraordinary item in Housing. Housing has approved the early redemption of bonds totaling $8,090,000 as of July 1, 1990.

21. Subsequent Events

General Obligation Bond Issues

Subsequent to June 30, 1990, the State issued $150,000,000 of callable general obligation bonds, Series BS dated September 1, 1990 with interest rates of 6.5% - 8.25%. These bonds mature serially beginning September 1, 1993 to September 1, 2010. These bonds were issued for the purpose of financing various public projects among which are public buildings, schools, university facilities and parks.

Revenue Bond Issues

Subsequent to June 30, 1990, the following revenue bonds were issued by the Enterprise Funds:

Airports issued $200,000,000 of Airports System serial and term revenue bonds, Second Series of 1990, dated October 1990, with interest rates ranging from 6.6% to 7.5%. The bonds were issued to finance the construction of certain Airports facilities, and mature July 1993 through July 2020.

Harbors issued $57,890,000 of Harbors serial and term revenue bonds, Series of 1990, dated November 15, 1990, with interest rates ranging from 6.10% to 7.25%. The bonds were issued to finance contruction of certain Harbors facilities, and mature July 1993 through July 2017.

Housing issued $33,500,000 of 1990 Series A and $35,700,000 of 1990 Series B Rental Housing System revenue bonds. The proceeds from these adjustable rate bonds are to be used for the acquisition of Housing's Kamakee Vista and Pohulani multi-family rental housing projects. These bonds mature July 2025.

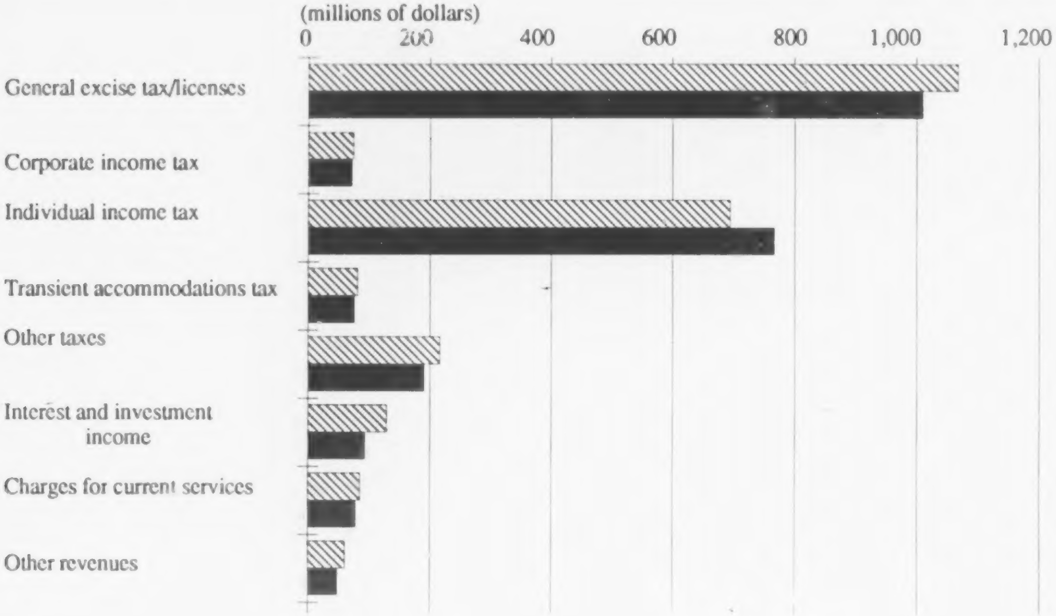
Housing also issued $50,000,000 of Single Family Mortgage Purchase serial and term revenue bonds, 1990 Series A, dated September 1990 or date of delivery, with interest rates ranging from 6.6% to 8.0%. The bonds were issued for the purpose of providing mortgage loans to eligible borrowers, and mature July 1995 through July 2023.

GENERAL FUND

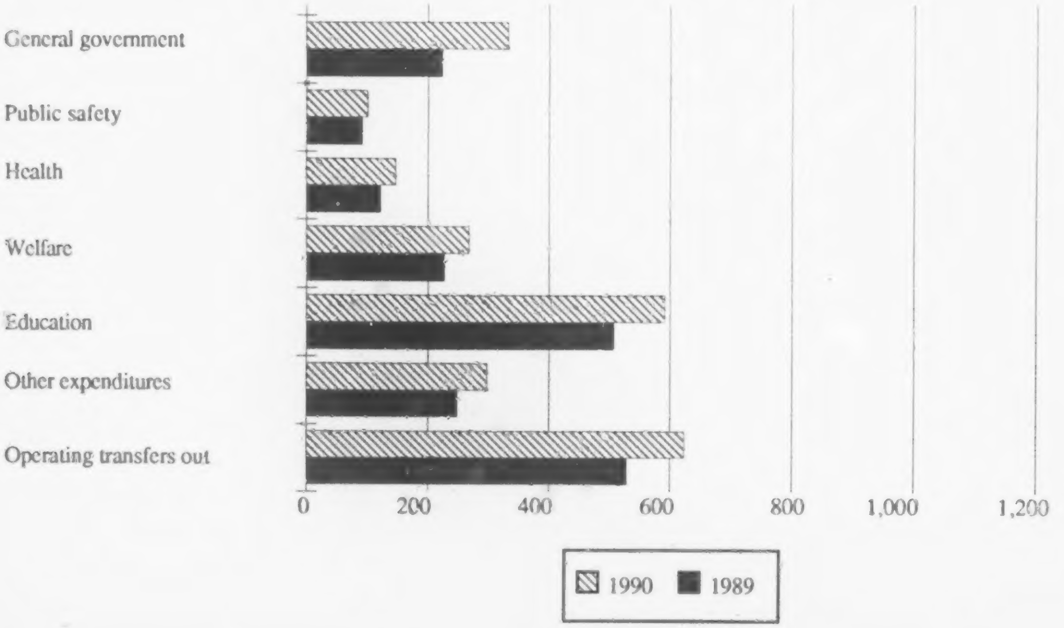
The General Fund is the general operating fund of the State. It is used to account for all financial resources except those required to be accounted for in another fund. Expenditures include those for general government, public safety, conservation of natural resources, health, welfare, education, and culture and recreation.

GENERAL FUND

Revenues and Other Financing Sources



Expenditures and Other Financing Uses



STATE OF HAWAII

Exhibit B-1

General Fund
Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS

Cash and short-term cash investments		$ 503,606
Receivables:		
Taxes	$ 30,338	
Notes	1,171	
Other	123	
Total receivables		31,632
Due from other funds:		
Special Revenue Funds	425	
Capital Projects Fund	11,000	
Enterprise Funds	26	
Trust and Agency Funds	45,111	
Total due from other funds		56,562
Investments		520,334
Advances to Enterprise Funds		13,443
Total Assets		$ 1,125,577

LIABILITIES AND FUND BALANCE

Liabilities:		
Vouchers payable		24,498
Due to other funds:		
Debt Service Fund	68	
Enterprise Funds	4,886	
University Funds	35,059	
Total due to other funds		40,013
Deferred revenue		30,338
Total Liabilities		94,849
Fund Balance:		
Reserved for continuing appropriations:		
Unencumbered allotments	38,879	
Unliquidated encumbrances	278,540	
	317,419	
Reserved for receivables and advances	14,737	
Unreserved fund balance:		
Designated for future expenditures	242,255	
Undesignated	456,317	
Total Fund Balance		1,030,728
Total Liabilities and Fund Balance		$ 1,125,577

STATE OF HAWAII

Exhibit B-2

General Fund
Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balance

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Revenues:		
Taxes:		
General excise tax	$ 1,066,107	
General excise licenses	3,363	
Net income tax:		
Corporations	74,858	
Individuals	694,640	
Inheritance and estate tax	16,329	
Liquor permits and tax	40,336	
Public service company tax	69,650	
Public service company fees	2,365	
Tobacco tax	23,496	
Tax on premiums of insurance companies	36,909	
Franchise tax (banks and other financial institutions)	19,893	
Transient accommodations tax	82,438	
Other taxes, primarily conveyances tax	8,091	
Total taxes		$ 2,138,475
Non-taxes:		
Interest and investment income	129,589	
Charges for current services	86,107	
Intergovernmental	9,632	
Rentals	5,521	
Fines, forfeitures and penalties	16,242	
Licenses and fees	4,166	
Revenues from private sources	3,655	
Accrued interest on general obligation bonds sold	975	
Other	20,459	
Total non-taxes		276,346
Total Revenues		$ 2,414,821

STATE OF HAWAII

General Fund
Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balance (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Expenditures:		
General government	$ 332,858	
Public safety	100,530	
Highways	203	
Conservation of natural resources	23,182	
Health	147,835	
Welfare	268,860	
Lower education	580,991	
Other education	11,486	
Culture and recreation	40,982	
Urban redevelopment and housing	4,403	
Economic development and assistance	78,858	
Social security and pension contributions	58,581	
Other	18,402	
Intergovernmental	73,471	
Total Expenditures		$ 1,740,642
Other Financing Uses - operating transfers out to:		
Special Revenue Funds	71,774	
Debt Service Fund	234,819	
Enterprise Funds	9,416	
University Funds	308,173	
Total Other Financing Uses		624,182
Total Expenditures and Other Financing Uses		2,364,824
Excess of Revenues over Expenditures and Other Financing Uses		49,997
Other Changes in Unreserved-Undesignated Fund Balance:		
Add:		
Continuing appropriations, July 1, 1989	251,761	
Unreserved-designated for future expenditures, July 1, 1989	105,120	
Deduct:		
Continuing appropriations, June 30, 1990	(317,419)	
Unreserved-designated for future expenditures, June 30, 1990	(242,255)	
Total Other Changes in Unreserved-Undesignated Fund Balance		(202,793)
Excess of Expenditures, Other Financing Uses and Other Changes in Unreserved-Undesignated Fund Balance over Revenues		(152,796)
Unreserved-Undesignated Fund Balance, July 1, 1989		629,188
Residual equity transfer out to Enterprise Funds		(20,075)
Unreserved-Undesignated Fund Balance, June 30, 1990		$ 456,317

STATE OF HAWAII

Schedule B-3

General Fund
Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)
Revenues:			
Taxes:			
General excise tax	$ 1,115,438	$ 1,066,107	$ (49,331)
General excise licenses	375	3,363	2,988
Net income tax:			
Corporations	86,279	74,858	(11,421)
Individuals	781,798	694,640	(87,158)
Inheritance and estate tax	8,126	16,329	8,203
Liquor permits and tax	45,005	40,336	(4,669)
Public service company tax	75,862	69,650	(6,212)
Public service company fees	2,700	2,365	(335)
Tobacco tax	23,810	23,496	(314)
Tax on premiums of insurance companies	40,600	36,909	(3,691)
Franchise tax (banks and other financial institutions)	13,230	19,893	6,663
Transient accommodations tax	84,746	82,438	(2,308)
Other taxes, primarily conveyances tax	4,060	8,091	4,031
Total taxes	2,282,029	2,138,475	(143,554)
Non-taxes:			
Interest and investment income	53,953	129,589	75,636
Charges for current services	55,423	86,107	30,684
Intergovernmental	4,718	9,632	4,914
Rentals	4,418	5,521	1,103
Fines, forfeitures and penalties	13,811	16,242	2,431
Licenses and fees	3,288	4,166	878
Revenues from private sources	2,207	3,655	1,448
Accrued interest on general obligation bonds sold	700	975	275
Other	1,373	20,459	19,086
Total non-taxes	139,891	276,346	136,455
Total Revenues	2,421,920	2,414,821	(7,099)
Other Financing Sources - operating transfers in from Debt Service Fund	37,886	36,697	(1,189)
Total Revenues and Other Financing Sources	$ 2,459,806	$ 2,451,518	$ (8,288)

STATE OF HAWAII

General Fund
Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis) (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Budget	Actual (Budgetary Basis)	Variance - Favorable (Unfavorable)
Expenditures:			
General government	$ 454,059	$ 442,023	$ 12,036
Public safety	176,137	172,598	3,539
Conservation of natural resources	28,544	28,207	337
Health	171,911	169,280	2,631
Welfare	290,251	281,895	8,356
Lower education	598,846	581,731	17,115
Other education	13,708	13,168	540
Culture and recreation	63,369	61,954	1,415
Urban redevelopment and housing	14,981	14,841	140
Economic development and assistance	87,535	85,257	2,278
Social security and pension contributions	58,581	58,581	-
Other	18,026	16,956	1,070
Intergovernmental	73,118	73,118	-
Total Expenditures	2,049,066	1,999,609	49,457
Other Financing Uses - operating transfers out to:			
Special Revenue Funds	71,774	71,774	-
Debt Service Fund	271,595	271,587	8
Enterprise Funds	9,416	9,416	-
University Funds	312,201	309,540	2,661
Total Other Financing Uses	664,986	662,317	2,669
Total Expenditures and Other Financing Uses	2,714,052	2,661,926	52,126
Excess of Expenditures and Other Financing Uses over Revenues and Other Financing Sources	$ (254,246)	$ (210,408)	$ 43,838

Schedule B-4

General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

		Carryover Appropriations and Designations	
Functions of Government	Actual (GAAP Basis)	July 1, 1989	June 30, 1990
Expenditures:			
General government	$ 332,858	$ 135,001	$ 211,573
Public safety	100,530	21,161	88,089
Highways	203	2,322	1,534
Conservation of natural resources	23,182	3,794	8,685
Health	147,835	33,273	51,929
Welfare	268,860	16,945	29,244
Lower education	580,991	64,812	57,040
Other education	11,486	1,091	2,668
Culture and recreation	40,982	19,232	37,497
Urban redevelopment and housing	4,403	10,353	20,724
Economic development and assistance	78,858	45,647	48,664
Social security and pension contributions	58,581	-	-
Other	18,402	3,250	1,777
Intergovernmental	73,471	-	250
Total Expenditures	1,740,642	356,881	559,674
Other Financing Uses - operating transfers out to:			
Special Revenue Funds	71,774	-	-
Debt Service Fund	234,819	-	-
Enterprise Funds	9,416	-	-
University Funds	308,173	-	-
Total Other Financing Uses	624,182	-	-
Total Expenditures and Other Financing Uses	2,364,824	356,881	559,674
Residual Equity Transfer Out to Enterprise Funds	-	-	-
Total Expenditures, Other Financing Uses and Residual Equity Transfer Out	$ 2,364,824	$ 356,881	$ 559,674

Lapses of Prior Appropriations	Other Budgetary Differences	Actual (Budgetary Basis)	Budget	Transfers	Budget as Amended	Variance Favorable (Unfavorable)	Lapses of Current Appropriations
$ 32,593	$ -	$ 442,023	$ 503,242	$ (49,183)	$ 454,059	$ 12,036	$ 12,036
5,140	-	172,598	172,951	3,186	176,137	3,539	3,539
585	-	-	-	-	-	-	-
134	-	28,207	27,806	738	28,544	337	337
2,789	-	169,280	168,497	3,414	171,911	2,631	2,631
736	-	281,895	288,070	2,181	290,251	8,356	8,356
8,512	-	581,731	579,821	19,025	598,846	17,115	17,115
105	-	13,168	14,207	(499)	13,708	540	540
2,707	-	61,954	62,461	908	63,369	1,415	1,415
67	-	14,841	14,812	169	14,981	140	140
3,382	-	85,257	85,990	1,545	87,535	2,278	2,278
-	-	58,581	55,998	2,583	58,581	-	-
27	-	16,956	17,585	441	18,026	1,070	1,070
(603)	-	73,118	73,118	-	73,118	-	-
56,174	-	1,999,609	2,064,558	(15,492)	2,049,066	49,457	49,457
-	-	71,774	71,774	-	71,774	-	-
71	36,697	271,587	271,595	-	271,595	8	8
-	-	9,416	8,231	1,185	9,416	-	-
1,367	-	309,540	299,937	12,264	312,201	2,661	2,661
1,438	36,697	662,317	651,537	13,449	664,986	2,669	2,669
57,612	36,697	2,661,926	2,716,095	(2,043)	2,714,052	52,126	52,126
-	20,075	20,075	18,832	2,043	20,875	800	800
$ 57,612	$ 56,772	$ 2,682,001	$ 2,734,927	$ -	$ 2,734,927	$ 52,926	$ 52,926

STATE OF HAWAII

Schedule B-5

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Obligations	Resources
Unreserved-Undesignated Fund Balance, July 1, 1989		$ 629,188
Actual revenues	$ -	2,451,518
Appropriations authorized	2,734,927	-
Unrequired balances of appropriations lapsed	-	110,538
Total	$ 2,734,927	3,191,244
Unreserved-Undesignated Fund Balance, June 30, 1990		$ 456,317

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

Appropriations authorized by State Legislature in regular session of 1989 - effective July 1, 1989:

				Appropriations Authorized	Unrequired Balances Lapsed
SL	89	A1	Office of the Ombudsman	$ 451	$ 45
			State Ethics Commission	300	2
			Legislative Reference Bureau	1,576	79
			Office of the Legislative Auditor	1,742	160
		A78	Capital Improvements, Waipahu Mental Health Center and Kalihi-Palama Mental Health Center	1,500	1,500
			Mental Health Services	1,602	130
		A114	Reimbursement of costs for appeal of medical board decisions	50	-
		A154	Changes in public assistance standard of need	1,695	-
		A159	Lump sum payments for former employees of excluded managerial compensation plan	1,028	43
		A161	Establishment of Water Pollution Control Revolving Fund	50,000	-
		A165	Establishment of the Legislative Advisory Committee	75	75
		A170	Collective bargaining cost items for BU 1,2,6,8,9,10,11	12,195	935
			Collective bargaining cost items for BU 1,2,6,8,9,10,11 - Judiciary	126	-
		A171	Collective bargaining cost items for BU 3	7,821	537
			Collective bargaining cost items for BU 3 - Judiciary	1,298	-
		A172	Collective bargaining cost items for BU 5	15,670	1,279
		A173	Collective bargaining cost items for BU 13	6,089	434
			Collective bargaining cost items for BU 13 - Judiciary	647	-
		A179	Restoration of Sandy Beach between Waikiki Aquarium and Fort DeRussy	1,000	-
		A189	Study of impact of local measured service in telecommunications	150	30

STATE OF HAWAII

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

Appropriations authorized by State Legislature in regular session of 1989 - effective July 1, 1989 (continued):

		Appropriations Authorized	Unrequired Balances Lapsed
A191	Establishment of unit for treatment of intra-family sexual assault offenders	$ 200	$ -
A194	Establishment of Major Disaster Fund	1,500	1,500
A196	High Technology Research and Development Fund	250	-
A197	Salary increases for officers and excluded employees - Office of the Legislative Auditor	64	-
	Salary increases for officers and excluded employees - Office of the Ombudsman	15	-
	Salary increases and other cost adjustments for officers and excluded employees - Judiciary	526	-
	Salary increases for officers and excluded employees - State Ethics Commission	8	-
	Salary increases for officers and excluded employees - Legislative Reference Bureau	44	-
	Salary increases and other cost adjustments for state officers and excluded employees	4,202	311
A198	Increase in Board of Education compensation	60	-
A206	State's Rental Assistance Program	15,000	-
A211	Transition planning for Department of Public Safety	400	5
A214	Increase compensation of Medical Claims Conciliation Panels	60	-
A229	Increase costs of the Hawaii Paroling Authority	186	-
A257	Strategic Plan for development of software industry in Hawaii	50	-
A259	Development and expansion of the visitor industry management on neighbor islands	250	-
A273	Criminal Injuries Compensation Fund	504	-
A284	Collective bargaining cost items for BU 4 - Judiciary	131	-
	Collective bargaining cost items for BU 4	462	32
A286	Pay adjustments for eligible substitute and part-time temporary teachers	3,318	-
A290	Increase compensation of board members - Office of Hawaiian Affairs	14	-
A303	Office of Hawaiian Affairs	2,067	33
A315	Judiciary Appropriations Act of 1989	67,810	4,935
A316	General appropriations of 1989	2,126,330	39,021
	Capital improvements, general appropriations of 1989	338,400	48
A317	Agricultural Loan Revolving Fund	8,500	-
A324	Establishment of the Division of Historic Preservation	100	-
A328	Pay adjustments for shortage categories	1,473	296
A329	Salary increase and retroactive salary payment for executive director - State Ethics Commission	13	-
	Salary increase and retroactive salary payments for director and director's assistants - Legislative Reference Bureau	91	-

STATE OF HAWAII

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

Appropriations authorized by State Legislature in regular session of 1989 - effective July 1, 1989 (continued):

		Appropriations Authorized	Unrequired Balances Lapsed
A329	Salary increases and retroactive salary increases for executive branch officers	$ 1,505	$ 166
	Salary increases and retroactive salary payments for the legislative auditor and assistants	36	5
	Salary increases and retroactive salary payments for ombudsman and first assistant	36	-
A331	Interim legislative access project to increase public access by 1990 - Senate	750	-
	Interim legislative access project to increase public access by 1990 - House of Representatives	750	56
	Interim legislative access project to increase public access by 1990	1,300	-
A334	Implementation of Long-Term Insurance Benefits Plan	73	-
A341	California - Hawaii Cooperative Commission	100	100
A350	Treatment of incarcerated sex offenders	323	16
A353	Capital improvements, Center for Applied Aquaculture	2,000	-
A357	Study of the population carrying capacity of the state to the year 2010	75	3
A358	Establishment of an International Tourism Consulting Center and Clearinghouse	135	135
A359	Development of educational and informational video productions that promote Hawaii's international role	125	-
A361	Development of statewide plan to control violent behavior	100	31
A365	Study on shortage of adult day care facilities	120	37
A374	Transportation of Lady Timarau to the Museum in Honolulu, Hawaii	25	25
A375	Establishment of the Office of Youth Services	600	-
A378	State Health Insurance Program	4,000	-
A379	Adult residential care homes rate increase	3,175	-
A380	Funds for Hawaii Capital Loan Program	1,000	-
	Establishment of Long-Term Care Service Development Fund	1,000	-
A382	Establishment of Architectual Access Committee	30	2
A386	Civil Rights Commission	200	-
A388	Establishment of the Hawaii Historic Preservation Special Fund	1,000	-
A392	Community-based Hawaiian health and medical coalition	50	-
A393	Expansion of medicaid coverage for eligible pregnant women and young children	420	-
A394	Study of Hawaii's system of foster care	150	
A397	Hawaii State Coordinating Council on Deafness	22	-
		2,696,243	52,006

STATE OF HAWAII

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

		Appropriations Authorized	Unrequired Balances Lapsed
Appropriations authorized by State Legislature in regular session of 1990 - effective prior to June 30, 1990:			
SL 90 A1	Implementation of a pilot After-School Program	$ 5,655	$ 659
A2	Session and non-session expenses of the Senate	4,775	-
	Session and non-session expenses of the House of Representatives	6,076	-
A3	Collective bargaining cost items - BU 7	9,834	-
A4	Salary increases for state officers and excluded employees - BU 7	1,203	-
A72	Salary increases and retroactive salary payments - Judiciary	2,179	-
A103	Legislative relief claims - overpayment of taxes	958	-
	Legislative relief claims - other than overpayment of taxes	11,200	-
		41,880	659
Change in means of financing authorized by State Legislature in Section 10, Act 2, S.S.L.H. of 1988 -			
SL 88 A2	Ala Wai boat harbor improvements	(90)	-
		(90)	-
Decrease in appropriation authorized by State Legislature in Section 10 Act 2, S.S.L.H. of 1988 -			
SL 90 A229	General appropriations of 1989	(5,418)	-
		(5,418)	-
Appropriations authorized by State Constitution:			
	Salaries:		
	Members of the Senate	680	-
	Members of the House of Representatives	1,382	11
		2,062	11

STATE OF HAWAII

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

Special and continuous appropriations authorized by the Hawaii Revised Statutes:

				Appropriations Authorized	Unrequired Balances Lapsed
HRS	185-4		Firefighters' Contingency Fund	$ 250	$ 250

Unrequired balance of appropriations in force June 30, 1990 - lapsed:

				Appropriations Authorized	Unrequired Balances Lapsed
SSL	81	A1	General appropriations of 1981, for 1981-1983	-	11
SL	82	A283	Hawaii Housing Authority for Mortgage Fund	-	4
SL	83	A301	General appropriations of 1983, for 1983-1985	-	19
SL	85	A293	1985 replacement to the Hawaii Revised Statutes	-	92
		A300	General appropriations of 1985, for 1985-1987	-	130
			Capital improvements, general appropriations of 1985	-	106
SL	87	A45	State water code	-	6
		A216	General appropriations of 1987, for 1987-1989	-	7,305
			Capital improvements, general appropriations of 1987	-	33,020
		A217	Capital improvements of 1987	-	31
		A218	Office of Hawaiian Affairs appropriations of 1987, for 1987-1989	-	17
		A265	Epidemiological research on AIDS	-	15
		A338	Establishment of the Department of Corrections	-	1
		A342	Intergovernmental cluster for services to children with severe emotional and developmental problems	-	11
		A343	Community based educational or services projects or programs for protection of child abuse and neglect	-	19
		A375	Judiciary appropriations of 1987, for 1987-1989	-	4,465
SSL	88	A1	Hawaii Information Network Corporation	-	3
		A2	Capital improvements of 1988	-	12,301
SL	88	A2	Appropriations of the Legislature and Legislative agencies	-	37
		A112	Commission for Planning and Selecting of Korean and Vietnam Veterans' Memorials	-	1
		A118	Improvement of tsunami preparedness in Hawaii	-	2
		A148	Environmental Emergency Response Program	-	5
		A194	Implementation of the Federal asbestos law (AHERA of 1986)	-	1
		A195	Diamond Head State monument	-	(100)
		A205	Dispersal review council-group living facilities	-	1

STATE OF HAWAII

General Fund
Supplementary Schedule of Changes in Unreserved-Undesignated Fund Balance - Budgetary Basis (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Detailed List of Appropriations Authorized and Unrequired Balances of Appropriations Lapsed - Classified by Legislative Acts

		Appropriations Authorized	Unrequired Balances Lapsed
Unrequired balance of appropriations in force June 30, 1990 - lapsed (continued):			
A211	AIDS omnibus act	$ -	$ 5
A212	Nursing License Examination Preparation Pilot Program	-	3
A221	90th Anniversary Okinawan Celebration Commission	-	1
A235	Hawaii Ocean Resources Management Program	-	9
A236	Establishment of the Hawaii Statewide Trail and Access System (Na Ala Hele)	-	3
A237	Long-term leases of certain State agricultural lands	-	47
A255	Development and implementation of the Environmental Education Programs	-	1
A256	Purchase of computer catalog for braille library	-	1
A257	Mental health services for children and youth	-	2
A262	Establishment of the Office of Information Practices	-	1
A301	Development of consolidated permit application and review process for geothermal and cable system development	-	8
A309	Parent information telephone line and Parenting Education Demonstration Project	-	4
A377	Establishment of a Business Permits Service Center	-	12
A404	Establishment of Statewide Fair Access Commission	-	1
A1	Appropriations of the Legislature and Legislative agencies	-	11
		-	57,612
		$ 2,734,927	$ 110,538

SPECIAL REVENUE FUNDS

The Special Revenue Funds category is used to account for the proceeds of specific revenue sources other than expendable trusts or major capital projects that are legally restricted for specified purposes. The major Special Revenue Funds are presented separately in the accompanying combining financial statements, with the remainder grouped as a single entity. The major Special Revenue Funds are as follows:

Highways - accounts for programs related to maintaining and operating land transportation facilities.

Natural Resources - accounts for programs related to the conservation, development and utilization of agriculture, aquaculture, water, land and other natural resources of the State.

Health - accounts for programs related to mental health, nutrition services, communicable disease and for other public health services.

Human Services - accounts for social service programs which include public welfare, eligibility and disability determination, health care and housing assistance.

Education - accounts for programs related to instructional education, school food services and student driver education.

Economic Development - accounts for programs related to the development and promotion of industry and international commerce, energy development and management, economic research and analysis and the utilization of resources.

Employment - accounts for programs related to employment and training, disability compensation, placement services, occupational safety and health and unemployment compensation.

Regulatory - accounts for programs related to consumer protection, business registration and cable television regulation.

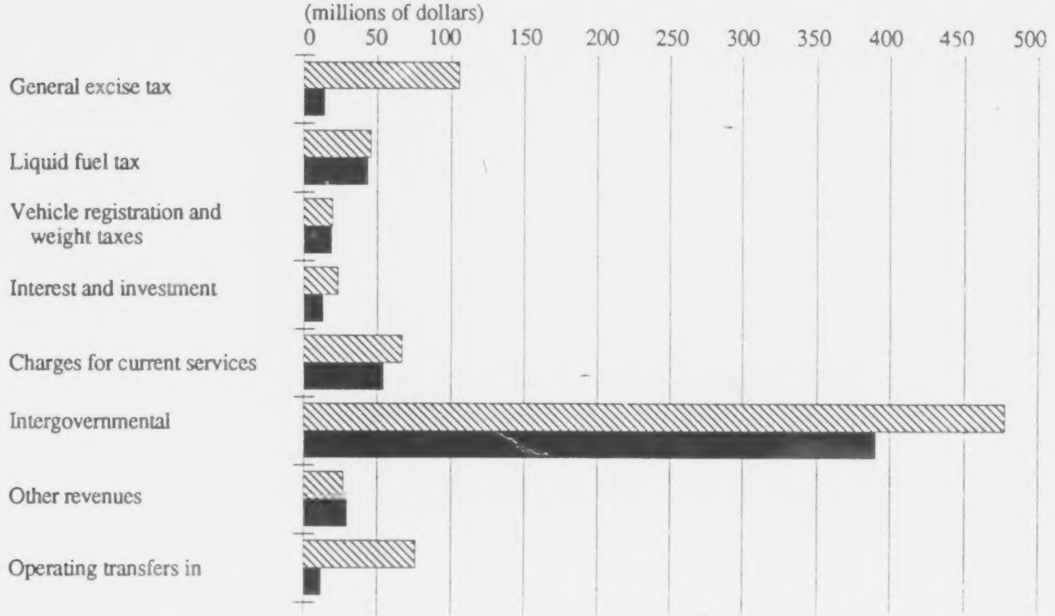
Hawaiian Programs - accounts for programs related to the betterment of native Hawaiians.

Administrative Support - accounts for programs of certain administrative agencies.

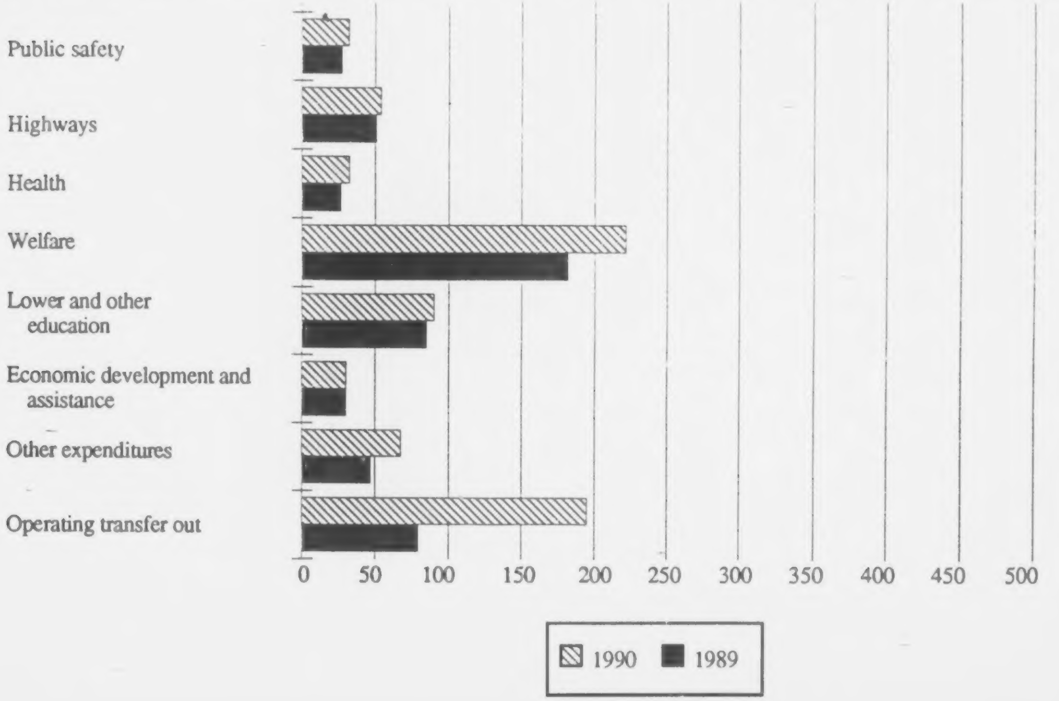
All Other - accounts for programs related to water recreation, inmate stores and driver training and education.

SPECIAL REVENUE FUNDS

Revenues and Other Financing Sources



Expenditures and Other Financing Uses



STATE OF HAWAII

Exhibit C-1

Special Revenue Funds Combining Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS	Highways	Natural Resources	Health	Human Services	Education
Cash and short-term cash investments	$ 72,765	$ 27,178	$ 55,765	$ 27,381	$ 9,780
Receivables:					
Accounts	-	-	-	-	-
Notes	-	17,321	-	-	-
Total receivables	-	17,321	-	-	-
Due from Trust and Agency Funds	405	-	-	-	-
Investments	-	-	-	-	-
Other assets	-	1	-	-	-
Total Assets	$ 73,170	$ 44,500	$ 55,765	$ 27,381	$ 9,780
LIABILITIES AND FUND BALANCES					
Liabilities:					
Vouchers payable	414	278	945	146	4,270
Due to General Fund	-	-	-	-	-
Total Liabilities	414	278	945	146	4,270
Fund Balances:					
Reserved for:					
Continuing appropriations - unliquidated encumbrances	36,105	1,778	11,315	3,425	4,589
Receivables	-	17,321	-	-	-
Investments	-	-	-	-	-
Other assets	-	1	-	-	-
	36,105	19,100	11,315	3,425	4,589
Unreserved fund balances:					
Designated for future expenditures	1,735	3,173	-	1	-
Undesignated	34,916	21,949	43,505	23,809	921
Total Fund Balances	72,756	44,222	54,820	27,235	5,510
Total Liabilities and Fund Balances	$ 73,170	$ 44,500	$ 55,765	$ 27,381	$ 9,780

Economic Development	Employment	Regulatory	Hawaiian Programs	Administrative Support	All Other	Total
$ 42,041	$ 17,893	$ 8,509	$ 34,027	$ 70,735	$ 9,673	$ 375,747
-	-	-	3		-	3
9,489	-	-	38,069	123	-	65,002
9,489	-	-	38,072	123	-	65,005
-	-	-	-	-	-	405
200	-	-	4,888	-	-	5,088
-	-	-	24	-	-	25
$ 51,730	$ 17,893	$ 8,509	$ 77,011	$ 70,858	$ 9,673	$ 446,270
125	1,899	99	171	1,041	333	9,721
-	-	-	-	180	245	425
125	1,899	99	171	1,221	578	10,146
3,854	54	904	2,339	7,648	1,864	73,875
9,489	-	-	38,072	123	-	65,005
200	-	-	4,888	-	-	5,088
-	-	-	24	-	-	25
13,543	54	904	45,323	7,771	1,864	143,993
4,929	-	-	1,950	43,588	-	55,376
33,133	15,940	7,506	29,567	18,278	7,231	236,755
51,605	15,994	8,410	76,840	69,637	9,095	436,124
$ 51,730	$ 17,893	$ 8,509	$ 77,011	$ 70,858	$ 9,673	$ 446,270

STATE OF HAWAII

Exhibit C-2

Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Highways	Natural Resources	Health	Human Services	Education
Revenues:					
Taxes:					
General excise tax:					
Highways	$ 15,581	$ -	$ -	$ -	$ -
Educational facilities	-	-	-	-	-
Liquid fuel tax:					
Highways	44,817	-	-	-	-
Boating	-	-	-	-	-
Vehicle registration fee tax	7,842	-	-	-	-
State vehicle weight tax	12,086	-	-	-	-
Income tax designation for election campaign	-	-	-	-	-
Total taxes	80,326	-	-	-	-
Non-taxes:					
Interest and investment income	1,833	2,502	3,183	479	-
Charges for current services	894	1,680	1,164	-	13,957
Intergovernmental	116,573	4,527	27,178	213,595	70,149
Rentals	3	1,522	-	78	-
Fines, forfeitures and penalties	346	-	-	-	-
Licenses and fees	790	111	-	-	-
Revenues from private sources	-	-	2	-	260
Other	1,461	2,917	257	366	209
Total non-taxes	121,900	13,259	31,784	214,518	84,575
Total Revenues	202,226	13,259	31,784	214,518	84,575
Other Financing Sources - operating transfers in from:					
General Fund	-	9,500	52,000	1,291	-
Other Special Revenue Funds	1,154	-	257	146	849
Total Other Financing Sources	1,154	9,500	52,257	1,437	849
Total Revenues and Other Financing Sources	$ 203,380	$ 22,759	$ 84,041	$ 215,955	$ 85,424

Economic Development	Employment	Regulatory	Hawaiian Programs	Administrative Support	All Other	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 15,581
-	-	-	-	90,000	-	90,000
-	-	-	-	-	-	44,817
-	-	-	-	-	998	998
-	-	-	-	-	-	7,842
-	-	-	-	-	-	12,086
-	-	-	-	457	-	457
-	-	-	-	90,457	998	171,781
3,998	1,117	88	6,357	3,822	223	23,602
5,582	7,950	6,565	399	23,772	5,212	67,175
1,912	28,062	-	1,182	11,528	3,019	477,725
87	-	-	6,218	592	-	8,500
-	750	-	1	135	796	2,028
-	-	581	-	-	-	1,482
437	-	-	5	-	(1)	703
4,055	219	-	2,094	578	1,797	13,953
16,071	38,098	7,234	16,256	40,427	11,046	595,168
16,071	38,098	7,234	16,256	130,884	12,044	766,949
2,422	(140)	-	-	6,701	-	71,774
-	6	50	-	1,266	1,152	4,880
2,422	(134)	50	-	7,967	1,152	76,654
$ 18,493	$ 37,964	$ 7,284	$ 16,256	$ 138,851	$ 13,196	$ 843,603

(continued)

STATE OF HAWAII

Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Highways	Natural Resources	Health	Human Services	Education
Expenditures:					
General government	$ -	$ -	$ 60	$ -	$ -
Public safety	-	1,221	-	6	-
Highways	54,254	-	-	-	-
Conservation of natural resources	-	13,660	-	-	-
Health	-	-	31,943	-	-
Welfare	-	-	-	217,924	-
Lower education	-	-	6	-	85,383
Other education	-	-	-	5,090	-
Culture and recreation	-	1,267	-	-	731
Urban redevelopment and housing	-	-	-	-	-
Economic development and assistance	15	880	-	33	-
Other	-	-	-	-	-
Total Expenditures	54,269	17,028	32,009	223,053	86,114
Other Financing Uses - operating transfers out to:					
Debt Service Fund	22,499	172	-	-	-
Capital Projects Fund	115,797	-	-	-	-
Other Special Revenue Funds	246	-	-	83	447
Total Other Financing Uses	138,542	172	-	83	447
Total Expenditures and Other Financing Uses	192,811	17,200	32,009	223,136	86,561
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 10,569	$ 5,559	$ 52,032	$ (7,181)	$ (1,137)

Economic Development	Employment	Regulatory	Hawaiian Programs	Administrative Support	All Other	Total
$ 127	$ 111	$ -	$ -	$ 16,397	$ 780	$ 17,475
-	17,294	5,617	-	2,441	5,615	32,194
-	-	-	-	-	-	54,254
250	-	-	-	27	-	13,937
-	-	-	-	904	-	32,847
-	-	-	-	3,717	29	221,670
-	-	-	-	45	-	85,434
-	-	-	-	4	-	5,094
-	-	-	-	9,434	5,091	16,523
-	-	-	4,600	21	-	4,621
12,091	11,335	-	1,609	4,619	-	30,582
-	8,619	2,205	3,110	1,633	-	15,567
12,468	37,359	7,822	9,319	39,242	11,515	530,198
41	-	-	-	950	-	23,662
-	-	-	-	50,917	-	166,714
982	326	1,589	2	411	794	4,880
1,023	326	1,589	2	52,278	794	195,256
13,491	37,685	9,411	9,321	91,520	12,309	725,454
$ 5,002	$ 279	$ (2,127)	$ 6,935	$ 47,331	$ 887	$ 118,149

(continued)

STATE OF HAWAII

Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Highways	Natural Resources	Health	Human Services	Education
Other Changes in Unreserved-Undesignated Fund Balances:					
Add:					
Continuing appropriations, July 1, 1989	$ 20,827	$ 622	$ 7,971	$ 3,222	$ 4,394
Unreserved-designated for future expenditures, July 1, 1989	2,542	3,149	-	1	-
Deduct:					
Continuing appropriations, June 30, 1990	(36,105)	(1,778)	(11,315)	(3,425)	(4,589)
Unreserved-designated for future expenditures, June 30, 1990	(1,735)	(3,173)	-	(1)	-
Total Other Changes in Unreserved-Undesignated Fund Balances	(14,471)	(1,180)	(3,344)	(203)	(195)
Excess of Revenues and Other Financing Sources over (under) Expenditures, Other Financing Uses and Other Changes in Unreserved-Undesignated Fund Balances	(3,902)	4,379	48,688	(7,384)	(1,332)
Unreserved-Undesignated Fund Balances (Deficit), July 1, 1989	38,818	17,570	(5,183)	31,193	2,253
Unreserved-Undesignated Fund Balances, June 30, 1990	$ 34,916	$ 21,949	$ 43,505	$ 23,809	$ 921

Economic Development	Employment	Regulatory	Hawaiian Programs	Administrative Support	All Other	Total
$ 2,770	$ 36	$ 705	$ 1,793	$ 5,649	$ 896	$ 48,885
4,930	-	-	1,950	16,534	-	29,106
(3,854)	(54)	(904)	(2,339)	(7,648)	(1,864)	(73,875)
(4,929)	-	-	(1,950)	(43,588)	-	(55,376)
(1,083)	(18)	(199)	(546)	(29,053)	(968)	(51,260)
3,919	261	(2,326)	6,389	18,278	(81)	66,889
29,214	15,679	9,832	23,178	-	7,312	169,866
$ 33,133	$ 15,940	$ 7,506	$ 29,567	$ 18,278	$ 7,231	$ 236,755

Special Revenue Funds
Combining Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Highways		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
General excise tax:			
Highways	$ 13,770	$ 15,581	$ 1,811
Educational facilities	-	-	-
Liquid fuel tax:			
Highways	42,970	44,817	1,847
Boating	-	-	-
Vehicle registration fee tax	7,830	7,842	12
State vehicle weight tax	12,063	12,086	23
Income tax designation for election campaign	-	-	-
Total taxes	76,633	80,326	3,693
Non-taxes:			
Interest and investment income	1,188	1,833	645
Charges for current services	260	894	634
Intergovernmental	140,178	116,573	(23,605)
Rentals	2	3	1
Fines, forfeitures and penalties	324	346	22
Licenses and fees	77	790	713
Revenues from private sources	-	-	-
Other	-	1,461	1,461
Total non-taxes	142,029	121,900	(20,129)
Total Revenues	218,662	202,226	(16,436)
Other Financing Sources - operating transfers in from:			
General Fund	-	-	-
Other Special Revenue Funds	-	1,154	1,154
Total Other Financing Sources	-	1,154	1,154
Total Revenues and Other Financing Sources	218,662	203,380	(15,282)
Expenditures:			
General government	-	-	-
Public safety	-	-	-
Highways	94,179	66,796	27,383
Conservation of natural resources	-	-	-
Health	-	-	-
Welfare	-	-	-
Lower education	-	-	-
Other education	-	-	-
Culture and recreation	-	-	-
Urban redevelopment and housing	-	-	-
Economic development and assistance	30	30	-
Other	-	-	-
Total Expenditures	94,209	66,826	27,383
Excess of Revenues and Other Financing Sources over (under) Expenditures	$ 124,453	$ 136,554	$ 12,101

Natural Resources			Health		
Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,586	2,502	916	-	3,183	3,183
1,082	1,680	598	34	1,164	1,130
3,107	4,527	1,420	22,748	27,178	4,430
1,384	1,522	138	-	-	-
-	-	-	-	-	-
-	111	111	-	-	-
-	-	-	-	2	2
1,815	2,917	1,102	233	257	24
8,974	13,259	4,285	23,015	31,784	8,769
8,974	13,259	4,285	23,015	31,784	8,769
-	9,500	9,500	-	52,000	52,000
-	-	-	-	257	257
-	9,500	9,500	-	52,257	52,257
8,974	22,759	13,785	23,015	84,041	61,026
-	-	-	64	61	3
2,322	1,226	1,096	-	-	-
-	-	-	-	-	-
4,281	3,464	817	-	-	-
-	-	-	38,906	32,201	6,705
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,910	1,362	548	-	-	-
-	-	-	-	-	-
1,244	1,243	1	-	-	-
-	-	-	-	-	-
9,757	7,295	2,462	38,970	32,262	6,708
$ (783)	$ 15,464	$ 16,247	$ (15,955)	$ 51,779	$ 67,734

(continued)

STATE OF HAWAII

Special Revenue Funds
Combining Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis) (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Human Services		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
General excise tax:			
Highways	$ -	$ -	$ -
Educational facilities	-	-	-
Liquid fuel tax:			
Highways	-	-	-
Boating	-	-	-
Vehicle registration fee tax	-	-	-
State vehicle weight tax	-	-	-
Income tax designation for election campaign	-	-	-
Total taxes	-	-	-
Non-taxes:			
Interest and investment income	-	479	479
Charges for current services	-	-	-
Intergovernmental	168,432	213,595	45,163
Rentals	-	78	78
Fines, forfeitures and penalties	-	-	-
Licenses and fees	-	-	-
Revenues from private sources	-	-	-
Other	676	366	(310)
Total non-taxes	169,108	214,518	45,410
Total Revenues	169,108	214,518	45,410
Other Financing Sources - operating transfers in from:			
General Fund	-	1,291	1,291
Other Special Revenue Funds	-	146	146
Total Other Financing Sources	-	1,437	1,437
Total Revenues and Other Financing Sources	169,108	215,955	46,847
Expenditures:			
General government	-	-	-
Public safety	149	21	128
Highways	-	-	-
Conservation of natural resources	-	-	-
Health	-	-	-
Welfare	212,155	196,058	16,097
Lower education	-	-	-
Other education	5,159	5,041	118
Culture and recreation	-	-	-
Urban redevelopment and housing	-	-	-
Economic development and assistance	-	-	-
Other	-	-	-
Total Expenditures	217,463	201,120	16,343
Excess of Revenues and Other Financing Sources over (under) Expenditures	$ (48,355)	$ 14,835	$ 63,190

Education			Economic Development		
Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,452	3,998	2,546
16,160	13,957	(2,203)	1,198	5,582	4,384
66,741	70,149	3,408	150	1,912	1,762
-	-	-	-	87	87
-	-	-	-	-	-
-	-	-	-	-	-
200	260	60	607	437	(170)
72	209	137	1,335	4,055	2,720
83,173	84,575	1,402	4,742	16,071	11,329
83,173	84,575	1,402	4,742	16,071	11,329
-	-	-	-	2,422	2,422
386	849	463	-	-	-
386	849	463	-	2,422	2,422
83,559	85,424	1,865	4,742	18,493	13,751
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
91,584	85,740	5,844	-	-	-
-	-	-	-	-	-
1,185	715	470	-	-	-
-	-	-	-	-	-
-	-	-	15,833	5,604	10,229
-	-	-	-	-	-
92,769	86,455	6,314	15,833	5,604	10,229
$ (9,210)	$ (1,031)	$ 8,179	$ (11,091)	$ 12,889	$ 23,980

(continued)

STATE OF HAWAII

Special Revenue Funds
Combining Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis) (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Employment		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
General excise tax:			
Highways	$ -	$ -	$ -
Educational facilities	-	-	-
Liquid fuel tax:			
Highways	-	-	-
Boating	-	-	-
Vehicle registration fee tax	-	-	-
State vehicle weight tax	-	-	-
Income tax designation for election campaign	-	-	-
Total taxes	-	-	-
Non-taxes:			
Interest and investment income	794	1,117	323
Charges for current services	9,000	7,950	(1,050)
Intergovernmental	30,736	28,062	(2,674)
Rentals	-	-	-
Fines, forfeitures and penalties	120	750	630
Licenses and fees	-	-	-
Revenues from private sources	-	-	-
Other	6	219	213
Total non-taxes	40,656	38,098	(2,558)
Total Revenues	40,656	38,098	(2,558)
Other Financing Sources - operating transfers in from:			
General Fund	-	(140)	(140)
Other Special Revenue Funds	-	6	6
Total Other Financing Sources	-	(134)	(134)
Total Revenues and Other Financing Sources	40,656	37,964	(2,692)
Expenditures:			
General government	147	111	36
Public safety	23,664	17,341	6,323
Highways	-	-	-
Conservation of natural resources	-	-	-
Health	-	-	-
Welfare	-	-	-
Lower education	-	-	-
Other education	75	-	75
Culture and recreation	-	-	-
Urban redevelopment and housing	-	-	-
Economic development and assistance	17,126	11,334	5,792
Other	9,853	8,564	1,289
Total Expenditures	50,865	37,350	13,515
Excess of Revenues and Other Financing Sources over (under) Expenditures	$ (10,209)	$ 614	$ 10,823

Regulatory			Hawaiian Programs		
Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	88	88	3,963	6,357	2,394
3,333	6,565	3,232	316	399	83
-	-	-	-	1,182	1,182
-	-	-	3,791	6,218	2,427
-	-	-	-	1	1
347	581	234	-	-	-
-	-	-	-	5	5
-	-	-	1,863	2,094	231
3,680	7,234	3,554	9,933	16,256	6,323
3,680	7,234	3,554	9,933	16,256	6,323
-	-	-	-	-	-
-	50	50	-	-	-
-	50	50	-	-	-
3,680	7,284	3,604	9,933	16,256	6,323
-	-	-	-	-	-
8,152	5,799	2,353	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,080	3,382	4,698
50	50	-	-	-	-
-	-	-	4,833	1,997	2,836
8,202	5,849	2,353	12,913	5,379	7,534
$ (4,522)	$ 1,435	$ 5,957	$ (2,980)	$ 10,877	$ 13,857

(continued)

STATE OF HAWAII

Special Revenue Funds
Combining Schedule of Revenues and Expenditures - Budget and Actual (Budgetary Basis)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Administrative Support		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
General excise tax :			
Highways	$ -	$ -	$ -
Educational facilities	-	90,000	90,000
Liquid fuel tax:			
Highways	-	-	-
Boating	-	-	-
Vehicle registration fee tax	-	-	-
State vehicle weight tax	-	-	-
Income tax designation for election campaign	700	457	(243)
Total taxes	700	90,457	89,757
Non-taxes:			
Interest and investment income	398	3,822	3,424
Charges for current services	7,809	23,772	15,963
Intergovernmental	7,994	11,528	3,534
Rentals	450	592	142
Fines, forfeitures and penalties	106	135	29
Licenses and fees	-	-	-
Revenues from private sources	15	-	(15)
Other	198	578	380
Total non-taxes	16,970	40,427	23,457
Total Revenues	17,670	130,884	113,214
Other Financing Sources - operating transfers in from:			
General Fund	-	6,701	6,701
Other Special Revenue Funds	-	1,266	1,266
Total Other Financing Sources	-	7,967	7,967
Total Revenues and Other Financing Sources	17,670	138,851	121,181
Expenditures:			
General government	20,353	11,765	8,588
Public safety	2,154	906	1,248
Highways	246	242	4
Conservation of natural resources	76	26	50
Health	1,403	739	664
Welfare	7,602	3,479	4,123
Lower education	3,479	44	3,435
Other education	20	4	16
Culture and recreation	21,111	12,345	8,766
Urban redevelopment and housing	2	-	2
Economic development and assistance	10,933	5,086	5,847
Other	3,334	1,956	1,378
Total Expenditures	70,713	36,592	34,121
Excess of Revenues and Other Financing Sources over (under) Expenditures	$ (53,043)	$ 102,259	$ 155,302

All Other			Total		
Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
$ -	$ -	$ -	$ 13,770	$ 15,581	$ 1,811
-	-	-	-	90,000	90,000
-	-	-	42,970	44,817	1,847
845	998	153	845	998	153
-	-	-	7,830	7,842	12
-	-	-	12,063	12,086	23
-	-	-	700	457	(243)
845	998	153	78,178	171,781	93,603
51	223	172	9,432	23,602	14,170
4,431	5,212	781	43,623	67,175	23,552
1,411	3,019	1,608	441,497	477,725	36,228
-	-	-	5,627	8,500	2,873
811	796	(15)	1,361	2,028	667
-	-	-	424	1,482	1,058
-	(1)	(1)	822	703	(119)
872	1,797	925	7,070	13,953	6,883
7,576	11,046	3,470	509,856	595,168	85,312
8,421	12,044	3,623	588,034	766,949	178,915
-	-	-	-	71,774	71,774
-	1,152	1,152	386	4,880	4,494
-	1,152	1,152	386	76,654	76,268
8,421	13,196	4,775	588,420	843,603	255,183
1,056	971	85	21,620	12,908	8,712
3,998	3,016	982	40,439	28,309	12,130
-	-	-	94,425	67,038	27,387
-	-	-	4,357	3,490	867
-	-	-	40,309	32,940	7,369
66	47	19	219,823	199,584	20,239
-	-	-	95,063	85,784	9,279
-	-	-	5,254	5,045	209
12,444	5,802	6,642	36,650	20,224	16,426
-	-	-	8,082	3,382	4,700
-	-	-	45,216	23,347	21,869
-	-	-	18,020	12,517	5,503
17,564	9,836	7,728	629,258	494,568	134,690
$ (9,143)	$ 3,360	$ 12,503	$ (40,838)	$ 349,035	$ 389,873

STATE OF HAWAII

Schedule C-4

Special Revenue Funds
Schedule of Expenditures and Other Financing Uses - Budget and Actual

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Functions of Government	Actual (GAAP Basis)	Non-Budgeted Expenditures (Actual)	Budgeted Expenditures (Actual)	Encumbrances	Actual (Budgetary Basis)	Budget	Variance - Favorable (Unfavorable)
Expenditures:							
General government	$ 17,475	$ 6,588	$ 10,887	$ 2,021	$ 12,908	$ 21,620	$ 8,712
Public safety	32,194	4,489	27,705	604	28,309	40,439	12,130
Highways	54,254	16,418	37,836	29,202	67,038	94,425	27,387
Conservation of natural resources	13,937	11,185	2,752	738	3,490	4,357	867
Health	32,847	7,452	25,395	7,545	32,940	40,309	7,369
Welfare	221,670	25,255	196,415	3,169	199,584	219,823	20,239
Lower education	85,434	4,025	81,409	4,375	85,784	95,063	9,279
Other education	5,094	155	4,939	106	5,045	5,254	209
Culture and recreation	16,523	1,630	14,893	5,331	20,224	36,650	16,426
Urban redevelopment and housing	4,621	2,639	1,982	1,400	3,382	8,082	4,700
Economic development and assistance	30,582	10,363	20,219	3,128	23,347	45,216	21,869
Other	15,567	3,852	11,715	802	12,517	18,020	5,503
Total Expenditures	530,198	94,051	436,147	58,421	494,568	629,258	134,690
Other Financing Uses- operating transfers out to:							
Debt Service Fund	23,662	23,662	-	-	-	-	-
Capital Projects Fund	166,714	166,714	-	-	-	-	-
Other Special Revenue Funds	4,880	4,880	-	-	-	-	-
Total Other Financing Uses	195,256	195,256	-	-	-	-	-
Total Expenditures and Other Financing Uses	$ 725,454	$ 289,307	$ 436,147	$ 58,421	$ 494,568	$ 629,258	$ 134,690

DEBT SERVICE FUND

The Debt Service Fund category is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest of general obligation bonds serviced by the General Fund and the Special Revenue Funds as described below:

General obligation bonds serviced by the General Fund - accounts for operating transfers from the General Fund for periodic payment of principal and interest of general obligation bonds and related costs.

General obligation bonds serviced by the Special Revenue Funds - several projects utilize the proceeds from general obligation bonds to finance capital expenditures and pay for their proportionate share of principal and interest. These Special Revenue Funds include:

- Highways
- Natural Resources
- Economic Development
- Administrative Support

STATE OF HAWAII

Exhibit D-1

Debt Service Fund
Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS

Cash and short-term cash investments	$ 22,074
Due from General Fund	68
Total Assets	$ 22,142

LIABILITIES AND FUND BALANCE

Liabilities:	
Matured bond principal payable	12,466
Matured bond interest payable	9,597
Other	11
Total Liabilities	22,074
Fund Balance - reserved for continuing appropriations	68
Total Liabilities and Fund Balance	$ 22,142

STATE OF HAWAII

Exhibit D-2

Debt Service Fund
Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balance

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

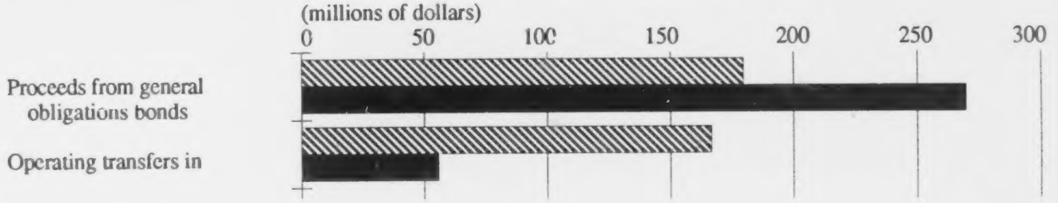
Other Financing Sources:	
Operating transfers in from General Fund:	
Appropriation for debt service from Act 316, SLH 1989	$ 234,898
Deduct unrequired balance of General Fund appropriation lapsed	(79)
Net operating transfers in from General Fund	234,819
Proceeds from refunding general obligation bonds	122,085
Operating transfers in from Special Revenue Funds - contributions for payment of debt service requirements	23,662
Total Other Financing Sources	380,566
Expenditures:	
Principal on serial bonds	137,921
Interest on bonds	116,276
Fiscal agents' fees and other expenses	7,400
Total Expenditures	261,597
Other Financing Uses - payment to refunded bond escrow agent	119,156
Total Expenditures and Other Financing Uses	380,753
Excess of Expenditures and Other Financing Uses over Other Financing Sources	(187)
Other Changes in Unreserved-Undesignated Fund Balance:	
Add continuing appropriations reserved for bond redemption, July 1, 1989	255
Deduct continuing appropriations reserved for bond redemption, June 30, 1990	(68)
Total Other Changes in Unreserved-Undesignated Fund Balance	187
Excess of Other Financing Sources and Other Changes in Unreserved-Undesignated Fund Balance over Expenditures and Other Financing Uses	-
Unreserved-Undesignated Fund Balance, July 1, 1989	-
Unreserved-Undesignated Fund Balance, June 30, 1990	$ -

CAPITAL PROJECTS FUND

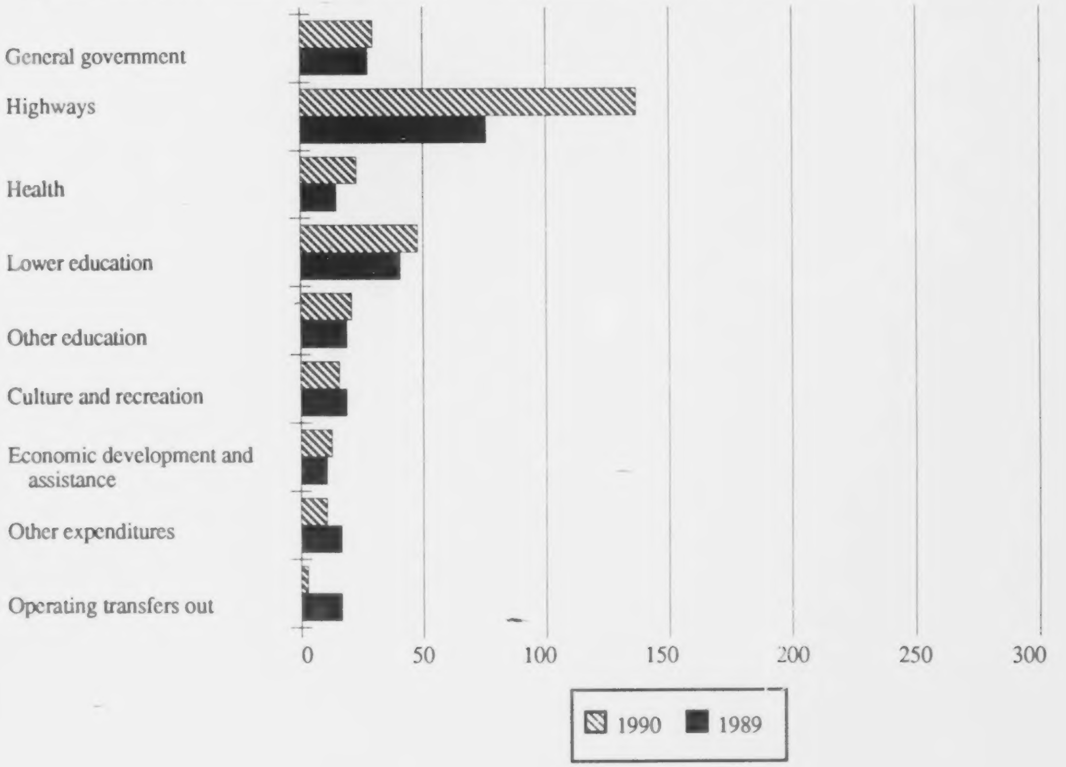
The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise or University Funds).

CAPITAL PROJECTS FUND

Other Financing Sources



Expenditures and Other Financing Uses



STATE OF HAWAII

Exhibit E-1

Capital Projects Fund
Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS

Cash and short-term cash investments		$ 179,058
Due from Enterprise Funds		1,452
Investments		27,298
Total Assets		$ 207,808

LIABILITIES AND FUND BALANCE

Liabilities:		
Vouchers payable		10,205
Due to other funds:		
General Fund	$ 11,000	
Enterprise Funds	10,645	
		21,645
Total Liabilities		31,850
Fund Balance:		
Reserved for continuing appropriations:		
Unencumbered allotments	57,327	
Unliquidated encumbrances	272,394	
	329,721	
Reserved for Federal aid highway projects encumbrances	206,314	
		536,035
Unreserved-undesignated		(360,077)
Total Fund Balance		175,958
Total Liabilities and Fund Balance		$ 207,808

STATE OF HAWAII

Exhibit E-2

Capital Projects Fund
Statement of Revenues, Expenditures and Changes In Unreserved-Undesignated Fund Deficit

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Other Financing Sources:		
Proceeds from general obligation bonds	$ 180,005	
Operating transfers in from Special Revenue Funds	166,714	
Total Other Financing Sources		$ 346,719
Expenditures:		
General government	30,000	
Public safety	5,639	
Highways	136,946	
Conservation of natural resources	3,387	
Health	23,184	
Welfare	202	
Lower education	47,619	
Higher education	21,103	
Culture and recreation	15,859	
Urban redevelopment and housing	2,469	
Economic development and assistance	12,711	
Total Expenditures		299,119
Other Financing Uses - operating transfers out to:		
Enterprise Funds	2,204	
University Funds	482	
Total Other Financing Uses		2,686
Total Expenditures and Other Financing Uses		301,805
Excess of Other Financing Sources over Expenditures and Other Financing Uses		44,914
Other Changes in Unreserved-Undesignated Fund Deficit:		
Add continuing appropriations, July 1, 1989	234,872	
Deduct continuing appropriations, June 30, 1990	(329,721)	
	(94,849)	
Increase in reserve for Federal aid highway projects encumbrances	(56,235)	
Total Other Changes in Unreserved-Undesignated Fund Deficit		(151,084)
Excess of Expenditures, Other Financing Uses and Other Changes in Unreserved-Undesignated Fund Deficit over Other Financing Sources		(106,170)
Unreserved-Undesignated Fund Deficit, July 1, 1989		(143,304)
Residual equity transfer-out to Enterprise Funds		(110,603)
Unreserved-Undesignated Fund Deficit, June 30, 1990		$ (360,077)

STATE OF HAWAII

Schedule E-3

Capital Projects Fund Supplementary Schedule of Reconciliation With Bonds Issued

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Bonds Issued	Appropriations	Transfers	Expenditures		Lapses	Balances
				Prior Years	Current Year		
General Obligation Bonds:							
General government	$ 334,735	$ 404,669	$ (15,420)	$ 274,209	$ 30,000	$ 43,082	$ 41,958
Public safety	149,164	161,907	5,404	139,202	5,653	7,975	14,481
Highways	329,036	558,438	839	336,023	27,488	40,088	155,678
Conservation of natural resources	147,782	181,579	246	139,208	3,387	21,989	17,241
Health	126,090	185,400	381	97,174	25,687	41,231	21,689
Hospitals	115,688	126,784	1,313	113,624	972	11,511	1,990
Welfare	23,865	46,093	(190)	14,989	4,138	646	26,130
Lower education	603,066	701,279	2,739	562,085	29,059	71,394	41,480
Higher education	448,493	531,654	2,394	410,153	21,103	37,388	65,404
Other education	5,125	5,354	29	5,154	-	229	-
Culture and recreation	283,491	366,047	2,243	259,401	15,016	45,018	48,855
Urban redevelopment and housing	127,499	141,621	(11)	123,715	1,210	4,269	12,416
Economic development and assistance	153,115	202,337	(270)	117,054	12,711	26,594	45,708
Airports	68,839	69,190	283	69,090	7	276	100
Water transport and terminals	53,708	156,654	20	52,994	6,810	3,472	93,398
Other	163,914	90	-	90	-	-	-
Total General Obligation Bonds	$ 3,133,610	$ 3,839,096	$ -	$ 2,714,165	$ 183,241	$ 355,162	$ 586,528

STATE OF HAWAII

Capital Projects Fund
Supplementary Schedule of Reconciliation With Bonds Issued (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Bonds Issued	Appropriations	Transfers	Expenditures		Lapses	Balances
				Prior Years	Current Year		
Revenue Bonds:							
Health	$ -	$ 41,320	$ -	$ -	$ -	$ -	$ 41,320
Hospitals	-	10,900	-	-	-	-	10,900
Welfare	-	175,000	-	-	-	75,000	100,000
Higher education	8,010	9,280	-	8,000	-	1,280	-
Urban redevelopment and housing	793,360	1,503,768	-	667,678	122,178	-	713,912
Economic development and assistance	-	531,852	-	-	-	244,667	287,185
Airports	624,050	1,146,062	-	362,582	95,442	65,049	622,989
Water transport and terminals	87,204	124,795	-	60,661	15,646	10,070	38,418
Total Revenue Bonds	1,512,624	3,542,977	-	1,098,921	233,266	396,066	1,814,724
Total All Bonds	$ 4,646,234	$ 7,382,073	$ -	$ 3,813,086	416,507	$ 751,228	2,401,252
Reconciliation with Capital Projects Fund:							
Add:							
Highways programs					109,458		206,314
School facilities improvement projects					18,560		71,372
Subtotal					544,525		2,678,938
Deduct:							
Enterprise Funds:							
Airports					(95,463)		(623,367)
Harbors					(21,613)		(131,756)
Housing					(126,126)		(795,919)
State Hospitals					(2,204)		-
Total Enterprise Funds					(245,406)		(1,551,042)
University Funds					-		(3,237)
Special purpose revenue bonds not included in general purpose financial statements					-		(304,405)
Reclassification of unallotted appropriations against unreserved-undesignated fund deficit					-		(284,219)
					$ 299,119		$ 536,035

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. The Enterprise Funds are comprised of the following:

Department of Transportation - Airports Division (Airports) - responsible for the equipment, regulation and operation of the State airports as a financially self-sustaining system. It also plans, designs and constructs new, expanded airports and improves existing facilities. The division also promotes aeronautical safety in the State.

Department of Transportation - Harbors Division (Harbors) - fosters the development of water transportation in Hawaii. The division supervises and maintains the harbor operations and plans the construction of new harbor facilities. It maintains control over ocean shores and promotes navigational safety.

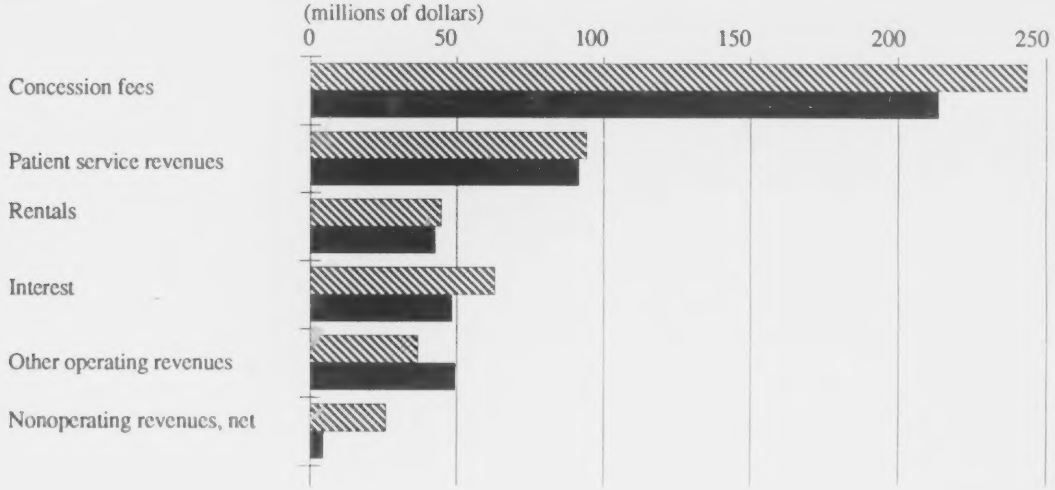
Housing Funds (Housing) - accounts for the Hawaii Housing Authority and the Housing Finance and Development Corporation. The funds are responsible for the land reform programs, development and administration of State and Federal rental housing projects, State-financed dwelling unit sales and issuance of mortgage revenue bonds.

State Hospitals Fund (State Hospitals) - accounts for all transactions relating to hospitals owned and operated as hospital enterprises by the State. The fund accounts for the following hospitals:

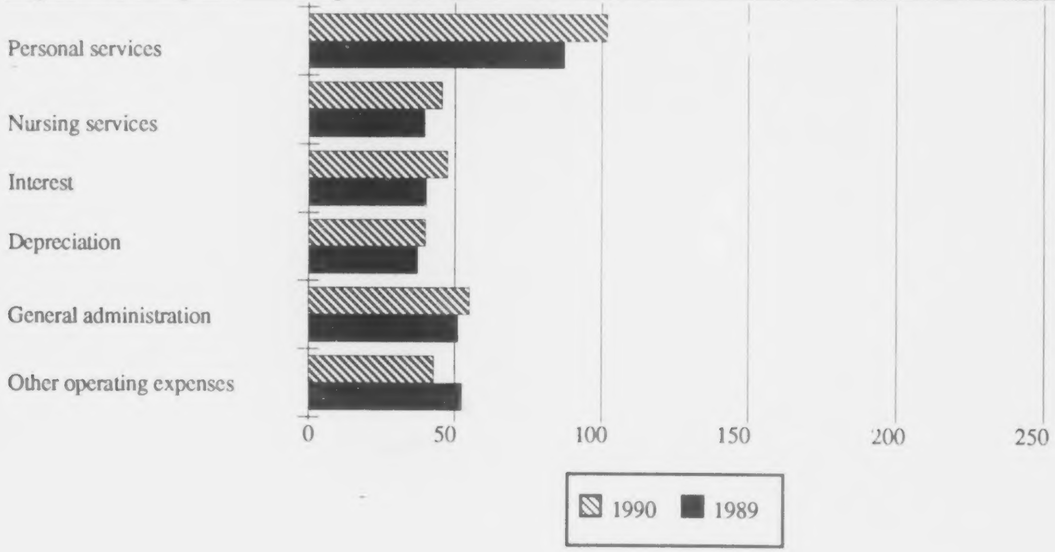
Hilo Hospital
Honokaa Hospital
Ka'u Hospital
Kauai Veterans Memorial Hospital
Kohala Hospital
Kona Hospital
Kula Hospital
Lanai Community Hospital
Leahi Hospital
Samuel Mahelona Memorial Hospital
Maluhia Hospital
Maui Memorial Hospital and Hana Medical Center

ENTERPRISE FUNDS

Operating and Nonoperating Revenues



Operating Expenses



STATE OF HAWAII

Exhibit F-1

Enterprise Funds
Combining Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS	Airports	Harbors	Housing	State Hospitals	Total
Current Assets:					
Cash and short-term cash investments	$ 210,885	$ 29,972	$ 194,789	$ 6,047	$ 441,693
Receivables:					
Aviation fuel tax	517	-	-	-	517
Accounts, net	3,671	3,589	-	29,041	36,301
Accrued interest	6,940	978	8,544	-	16,462
Notes and loans receivable (net of deferred gain)	-	-	4,372	-	4,372
Federal Government	7,541	-	17,781	-	25,322
Other	-	-	3,285	274	3,559
Due from other funds:					
General Fund	-	-	3,626	-	3,626
Capital Projects Fund	-	-	10,645	-	10,645
Investments - U. S. Government securities	-	-	500	-	500
Inventory of materials and supplies	180	52	467	2,772	3,471
Developments in progress and dwelling units inventory	-	-	55,508	-	55,508
Unamortized bond issue costs, current portion	-	-	421	-	421
Prepaid expenses and other assets	-	20	427	23	470
Total Current Assets	229,734	34,611	300,365	38,157	602,867
Restricted Assets:					
Cash and short-term cash investments	425,229	115,761	18,720	1,799	561,509
Investments:					
U. S. Government securities	37,477	14,156	52,197	-	103,830
Treasury cash management mutual fund	-	-	615	-	615
Repurchase agreements	-	-	214,441	-	214,441
Net direct financing leases	6,660	17,414	-	-	24,074
Due from General Fund	-	1,260	-	-	1,260
Other	-	-	-	2,308	2,308
Total Restricted Assets	469,366	148,591	285,973	4,107	908,037
Property, Plant and Equipment:					
Land and land improvements	359,309	71,554	30,473	1,931	463,267
Buildings and improvements	337,111	131,596	173,650	93,223	735,580
Machinery and equipment	28,174	3,038	6,895	53,365	91,472
Construction in progress	398,619	78,781	-	3,630	481,030
	1,123,213	284,969	211,018	152,149	1,771,349
Less accumulated depreciation	(243,172)	(54,985)	(83,499)	(55,379)	(437,035)
Net Property, Plant and Equipment	880,041	229,984	127,519	96,770	1,334,314
Other Assets:					
Accrued interest	-	-	1,145	-	1,145
Mortgage loans receivable	-	-	260,365	-	260,365
Notes and loans receivable (net of deferred gain)	-	-	15,203	-	15,203
Investments - U. S. Government securities	-	-	26,329	-	26,329
Developments in progress	-	-	31,252	-	31,252
Unamortized bond issue costs	7,436	1,253	8,632	-	17,321
Other	-	-	712	-	712
Total Other Assets	7,436	1,253	343,638	-	352,327
Total Assets	$ 1,586,577	$ 414,439	$ 1,057,495	$ 139,034	$ 3,197,545

STATE OF HAWAII

Enterprise Funds
Combining Balance Sheet (Cont'd)

June 30, 1990

(Amounts in thousands)

LIABILITIES AND FUND EQUITY	Airports	Harbors	Housing	State Hospitals	Total
Current Liabilities:					
Vouchers and contracts payable	$ 12,474	$ 845	$ 1,144	$ 9,137	$ 23,600
Other accrued liabilities	4,048	1,714	45,738	70,307	121,807
Prepaid airport use charge	5,007	-	-	-	5,007
Due to Capital Projects Fund	-	1,452	-	-	1,452
General obligation bonds payable, current portion	3,743	-	-	-	3,743
Note payable, current portion	-	-	22	-	22
Deferred revenue	38,070	-	-	-	38,070
Liabilities collateralized by HUD annual contributions, current portion	-	-	46,645	-	46,645
Custodial funds and deposits	-	-	-	317	317
Other current liabilities	-	331	-	-	331
Total Current Liabilities (payable from current assets)	63,342	4,342	93,549	79,761	240,994
Liabilities Payable from Restricted Assets:					
Contracts payable and other	20,642	1,013	-	262	21,917
Accrued interest	24,145	4,220	-	-	28,365
Matured revenue bonds and interest coupons payable	-	145	-	-	145
Revenue bonds payable	34,900	3,836	18,123	-	56,859
Due to General Fund	26	-	-	-	26
General obligation bonds payable	-	1,657	-	-	1,657
Total Liabilities Payable from Restricted Assets	79,713	10,871	18,123	262	108,969
Long-Term Liabilities:					
Advances from General Fund	-	-	-	13,443	13,443
General obligation bonds payable	19,302	8,398	-	-	27,700
Note payable	-	-	413	-	413
Security deposits	-	-	1,329	-	1,329
Liabilities collateralized by HUD annual contributions	-	-	37,521	-	37,521
Revenue bonds payable (net of unamortized discount)	607,606	104,449	507,006	-	1,219,061
Deferred commitment fees	-	-	3,118	-	3,118
Other long-term liabilities	-	-	17,844	-	17,844
Total Long-Term Liabilities	626,908	112,847	567,231	13,443	1,320,429
Total Liabilities	769,963	128,060	678,903	93,466	1,670,392
Fund Equity:					
Contributed capital	200,634	176,891	421,799	-	799,324
Less accumulated depreciation	(37,106)	(4,447)	(65,768)	-	(107,321)
Total contributed capital	163,528	172,444	356,031	-	692,003
Retained earnings/fund balance:					
Retained earnings:					
Reserved for bond requirements and other	245,553	14,544	-	-	260,097
Unreserved	407,533	99,391	22,561	-	529,485
Total retained earnings	653,086	113,935	22,561	-	789,582
Fund balance:					
Restricted	-	-	-	3,844	3,844
Unrestricted	-	-	-	41,724	41,724
Total fund balance	-	-	-	45,568	45,568
Total retained earnings/fund balance	653,086	113,935	22,561	45,568	835,150
Total Fund Equity	816,614	286,379	378,592	45,568	1,527,153
Total Liabilities and Fund Equity	$ 1,586,577	$ 414,439	$ 1,057,495	$ 139,034	$ 3,197,545

Exhibit F-2

Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Airports	Harbors	Housing	State Hospitals	Total
Operating Revenues:					
Concession fees	$ 243,604	$ -	$ -	$ -	$ 243,604
Sales of dwelling units	-	-	3,487	-	3,487
Patient service revenues (net of contractual allowances and adjustments of $21,508)	-	-	-	94,335	94,335
Airport use charge	7,129	-	-	-	7,129
Rentals	13,425	13,334	18,016	-	44,775
Services and others	3,479	19,576	-	-	23,055
Interest	-	-	63,082	-	63,082
Other	-	-	1,274	1,900	3,174
Total Operating Revenues	267,637	32,910	85,859	96,235	482,641
Operating Expenses:					
Personal services	37,809	5,581	10,274	48,422	102,086
Nursing services	-	-	-	45,804	45,804
Interest	-	-	47,552	-	47,552
Depreciation	22,657	3,652	7,125	6,552	39,986
Repairs and maintenance	7,988	4,414	2,873	-	15,275
Cost of sales - dwelling units	-	-	2,666	-	2,666
Airports operations	14,932	-	-	-	14,932
Harbors operations	-	1,305	-	-	1,305
Fireboat operations	-	924	-	-	924
Loan servicing fees and amortization of bond issue costs	-	-	1,255	-	1,255
General administration	15,188	2,853	5,198	31,840	55,079
Other	790	6	5,758	32	6,586
Total Operating Expenses	99,364	18,735	82,701	132,650	333,450
Operating Income (Loss)	$ 168,273	$ 14,175	$ 3,158	$ (36,415)	$ 149,191

STATE OF HAWAII

Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Airports	Harbors	Housing	State Hospitals	Total
Nonoperating Revenues (Expenses):					
Interest income	$ 36,829	$ 5,848	$ -	$ -	$ 42,677
Aviation fuel tax	7,321	-	-	-	7,321
Interest expense	(24,776)	(7,953)	-	-	(32,729)
Amortization of bond discount and bond issue costs	-	(95)	-	-	(95)
HUD annual contributions	-	-	7,655	-	7,655
Donations and grants	-	-	-	114	114
Other	44	152	-	799	995
Total Nonoperating Revenues (Expenses)	19,418	(2,048)	7,655	913	25,938
Income (Loss) before Operating Transfers In and Extraordinary Item	187,691	12,127	10,813	(35,502)	175,129
Operating Transfers In From:					
General Fund	-	-	-	9,416	9,416
Capital Projects Fund	-	-	-	2,204	2,204
Total Operating Transfers In	-	-	-	11,620	11,620
Income (Loss) before Extraordinary Item	187,691	12,127	10,813	(23,882)	186,749
Extraordinary Item - loss from early redemption of revenue bonds payable	-	-	(596)	-	(596)
Net Income (Loss)	187,691	12,127	10,217	(23,882)	186,153
Depreciation on contributed fixed assets that reduces contributed capital	4,209	259	6,521	-	10,989
Retained Earnings/Fund Balance *, July 1, 1989	461,186	101,549	5,823	69,450	638,008
Retained Earnings/Fund Balance*, June 30, 1990	$ 653,086	$ 113,935	$ 22,561	$ 45,568	$ 835,150

* Fund balance relates to State Hospitals only.

STATE OF HAWAII

Exhibit F-3

Enterprise Funds Combining Statement of Changes in Financial Position

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Airports	Harbors	Housing	State Hospitals	Total
Sources of Working Capital:					
Operations:					
Income (loss) before extraordinary item ...	$ 187,691	$ 12,127	$ 10,813	$ (23,882)	$ 186,749
Items not requiring use of (providing) working capital:					
Depreciation ...	22,657	3,652	7,125	6,552	39,986
Amortization of bond discount and bond issue costs ...	893	95	404	-	1,392
Amortization of discount on U. S. Government securities ...	-	-	(498)	-	(498)
Loss on disposal of facilities ...	-	6	-	-	6
Amortization of deferred commitment fees ...	-	-	(46)	-	(46)
Recognition of deferred gain ...	-	-	(34)	-	(34)
Working capital provided from (used for) operations before extraordinary item	211,241	15,880	17,764	(17,330)	227,555
Extraordinary item - loss from early redemption of revenue bonds payable ...	-	-	(596)	-	(596)
Add noncash amount related to write-off of unamortized bond issue costs ...	-	-	596	-	596
Working capital provided from (used for) operations	211,241	15,880	17,764	(17,330)	227,555
Contributed capital:					
Residual equity transfer in from:					
General Fund ...	-	1,349	18,726	-	20,075
Capital Projects Fund ...	350	90,061	20,192	-	110,603
Federal grants ...	15,643	-	107	-	15,750
HUD annual contributions ...	-	-	3,614	-	3,614
Revenue bond proceeds ...	205,000	-	136,645	-	341,645
Disposal of property, plant and equipment ...	266	-	489	9	764
Repayments of mortgage loans receivable ...	-	-	29,236	-	29,236
Repayments of notes and loans receivable ...	-	-	2,014	-	2,014
Decrease in other noncurrent assets ...	-	-	332	-	332
Net increase (decrease) in liabilities payable from restricted assets ...	14,158	(958)	-	242	13,442
Increase in security deposits ...	-	-	16	-	16
Increase in deferred commitment fees ...	-	-	1,781	-	1,781
Increase in other long-term liabilities ...	-	-	12,159	-	12,159
Total Sources of Working Capital	$ 446,658	$ 106,332	$ 243,075	$ (17,079)	$ 778,986

STATE OF HAWAII

Enterprise Funds
Combining Statement of Changes in Financial Position (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Airports	Harbors	Housing	State Hospitals	Total
Uses of Working Capital:					
Net increase (decrease) in restricted assets	$ 303,803	$ 73,618	$ 121,051	$ (4,876)	$ 493,596
Additions to property, plant and equipment	157,158	26,166	3,377	9,588	196,289
Increase in accrued interest receivable	-	-	186	-	186
Additions to mortgage loans receivable	-	-	25,067	-	25,067
Increase in notes and loans receivable	-	-	1,127	-	1,127
Increase in investments - U. S. Government securities	-	-	14,404	-	14,404
Increase in developments in progress	-	-	18,568	-	18,568
Increase in bond issue costs	4,115	-	2,161	-	6,276
Decrease in HUD-secured liabilities	-	-	1,828	-	1,828
Redemptions and current maturities of long-term debt	25,768	4,017	24,989	-	54,774
Increase in unamortized bond discount	3,139	-	-	-	3,139
Total Uses of Working Capital	493,983	103,801	212,758	4,712	815,254
Net Increase (Decrease) in Working Capital	$ (47,325)	$ 2,531	$ 30,317	$ (21,791)	$ (36,268)
Elements of Net Increase (Decrease) in Working Capital					
Current assets:					
Cash and short-term cash investments	(51,301)	4,609	10,577	2,342	(33,773)
Receivables	5,919	(594)	9,615	(6,505)	8,435
Due from other funds:					
General Fund	-	-	3,135	-	3,135
Capital Projects Fund	-	-	8,960	-	8,960
Investments	-	-	(21,358)	-	(21,358)
Inventories	35	(2)	28,850	(3)	28,880
Unamortized bond issue costs, current portion	-	-	34	-	34
Prepaid expenses and other assets	-	20	99	11	130
Current liabilities:					
Vouchers and contracts payable	2,879	(177)	383	(6,096)	(3,011)
Other accrued liabilities	(48)	(408)	(9,842)	(11,503)	(21,801)
Prepaid airport use charge	100	-	-	-	100
Due to other funds:					
General Fund	-	14	-	-	14
Capital Projects Fund	-	(600)	-	-	(600)
General obligation bonds payable, current portion	57	-	-	-	57
Deferred revenue	(4,966)	-	-	-	(4,966)
Liabilities collateralized by HUD annual contributions, current portion	-	-	(136)	-	(136)
Custodial funds and deposits	-	-	-	(37)	(37)
Other current liabilities	-	(331)	-	-	(331)
Net Increase (Decrease) in Working Capital	$ (47,325)	$ 2,531	$ 30,317	$ (21,791)	$ (36,268)

STATE OF HAWAII

Schedule F-4

Enterprise Funds
Schedule of Changes in Long-Term Bonded Indebtedness - Revenue Bonds

Last Three Fiscal Years

(Amounts in thousands)

Bonded indebtedness - revenue bonds (excluding unamortized bond discount) at June 30, 1987	$ 951,984
Less revenue bonds matured during the fiscal year ended June 30, 1988	(65,298)
	886,686
Add:	
Airports System Revenue Bonds, Series of 1987	85,000
Rental Housing System Revenue Bonds, Series A of 1987	14,950
Bonded indebtedness - revenue bonds (excluding unamortized bond discount) at June 30, 1988	986,636
Less revenue bonds matured during the fiscal year ended June 30, 1989	(56,705)
	929,931
Add:	
Harbors Capital Improvement Revenue Bonds, Series of 1989	21,200
Housing Finance and Development Corporation, Series A of 1988	70,000
Bonded indebtedness - revenue bonds (excluding unamortized bond discount) at June 30, 1989	1,021,131
Less revenue bonds matured during the fiscal year ended June 30, 1990	(50,844)
	970,287
Add:	
Airports System Revenue Bonds, Series of 1989	105,000
Airports System Revenue Bonds, Series of 1990	100,000
Single-Family Mortgage Purchase Revenue Bonds, Series A of 1989	120,145
Rental Housing System Revenue Bonds, Series A of 1989	16,500
Bonded indebtedness - revenue bonds (excluding unamortized bond discount) at June 30, 1990	1,311,932
Less unamortized bond discount	(8,764)
Bonded indebtedness - revenue bonds (net of unamortized bond discount) at June 30, 1990	$ 1,303,168

Bonded indebtedness - revenue bonds (net of unamortized bond discount) at June 30, 1990 are represented in the following Enterprise Funds:

Airports	$ 642,506
Harbors	108,285
Housing	552,377 *
	$ 1,303,168

*Includes $27,248 of Low Income Housing Revenue Bonds included in liabilities collateralized by HUD annual contributions.

STATE OF HAWAII Schedule F-5

Enterprise Funds
Schedule of Revenue Bonds Outstanding

Last Three Fiscal Years
(Amounts in thousands)

Purpose	Interest Rate	Maturity Date	Amount Outstanding June 30, 1988	June 30, 1989	June 30, 1990
Airports:					
Airports System Revenue Bonds, Series of 1969	Various	July 1, 1972/1994	$ 15,990	$ 15,270	$ 11,250
Airports System Revenue Bonds, Second Series of 1969	Various	July 1, 1972/1994	21,055	19,010	16,350
Airports System Revenue Bonds, Series of 1970	Various	July 1, 1973/1995	10,155	9,510	8,425
Airports System Revenue Bonds, Second Series of 1970	Various	July 1, 1973/1995	13,200	12,400	11,000
Airports System Revenue Bonds, Series of 1971	Various	July 1, 1976/1996	16,530	15,070	13,195
Airports System Revenue Bonds, Second Series of 1971	Various	July 1, 1976/1996	10,905	9,830	8,685
Airports System Revenue Bonds, Series of 1972	Various	July 1, 1977/1997	14,595	13,340	12,005
Airports System Revenue Bonds, Series of 1974	Various	July 1, 1979/1999	15,055	14,260	13,400
Airports System Revenue Bonds, Series of 1975	Various	July 1, 1979/2000	15,440	14,720	13,940
Airports System Revenue Bonds, Series of 1977	Various	July 1, 1978/2003	15,920	15,315	14,670
Airports Special Facility Revenue Bonds	Various	April 1, 1978/2005	9,325	9,050	6,555
Airports System Revenue Bonds, Refunding Series of 1983	Various	July 1, 1984/2008	91,240	89,340	87,385
Airports System Revenue Bonds, Series of 1983	Various	July 1, 1985/2013	49,385	49,140	48,870
Airports System Revenue Bonds, Series of 1984	Various	July 1, 1985/2004	64,460	64,135	63,775
Airports System Revenue Bonds, Series of 1986	Various	July 1, 1989/2004	35,000	35,000	34,875
Airports System Revenue Bonds, Series of 1987	Various	July 1, 1987/2004	85,000	82,185	81,170
Airports System Revenue Bonds, Series of 1989	Various	July 1, 1991/2009	-	-	105,000
Airports System Revenue Bonds, Series of 1990	Various	July 1, 1993/2020	-	-	100,000
			483,255	467,575	650,550
Harbors:					
Harbors, Issue of 1967	5.200%	July 1, 1973/1997	13,400	12,170	10,885
Harbors, Issue of 1978	Various	January 1, 1979/2008	17,670	17,240	16,780
Harbors Capital Improvement Revenue Bonds, Series of 1983	Various	July 1, 1984/2008	21,990	21,505	20,990
Harbors Special Facility Revenue Bonds	10.0%	September 1, 1983/2013	16,750	16,750	16,750
Harbors Capital Improvement Revenue Bonds, Series of 1986	Various	July 1, 1989/2011	22,500	22,500	22,400
Harbors Capital Improvement Revenue Bonds, Series of 1989	Various	July 1, 1991/2012	-	21,200	21,200
			$ 92,310	$ 111,365	$ 109,005

(continued)

STATE OF HAWAII

Enterprise Funds
Schedule of Revenue Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

			Amount Outstanding		
Purpose	Interest Rate	Maturity Date	June 30, 1988	June 30, 1989	June 30, 1990
Housing:					
Hawaii Housing Authority, Low Income Housing Bonds	Various	August 1, 1991/2009	$ 30,192	$ 28,741	$ 27,248
Hawaii Housing Authority, Series A of 1980	Various	July 1, 1980/2010	62,995	54,010	47,700
Hawaii Housing Authority, Series B of 1980	Various	December 31, 1980/2010	32,200	27,690	23,500
Hawaii Housing Authority, Series A of 1981	Various	July 1, 1983/1998	4,555	3,655	2,995
Hawaii Housing Authority, Series A of 1982	Various	July 1, 1983/2001	290	-	-
Hawaii Housing Authority, Series A of 1983	Various	July 1, 1984/2013	38,230	32,440	29,985
Hawaii Housing Authority, Series B of 1983	Various	July 1, 1985/2014	23,355	18,900	17,205
Hawaii Housing Authority, Series C of 1983	Various	July 1, 1985/2013	43,615	35,855	32,125
Hawaii Housing Authority, Series A of 1984	Various	July 1, 1985/2016	13,880	11,115	8,765
Hawaii Housing Authority, Series A of 1985	Various	July 1, 1988/2016	18,325	16,815	15,810
Hawaii Housing Authority, Series A of 1986	Various	July 1, 1991/2017	40,300	39,860	38,625
Hawaii Housing Authority, Series B of 1986	Various	July 1, 1989/2016	52,415	52,415	51,705
Multi-Family Housing Revenue Bonds	Various	December 1, 1986/2011	35,768	35,745	35,719
Rental Housing System Revenue Bonds, Series A of 1987	Various	July 1, 1990/2018	14,950	14,950	14,350
Housing Finance and Development Corporation, Series A of 1988	Various	July 1, 1996/2019	-	70,000	70,000
Single-Family Mortgage Purchase Revenue Bonds, Series A of 1989	Various	July 1, 1994/2028	-	-	120,145
Rental Housing System Revenue Bonds, Series A of 1989	Various	July 1, 1995/2024	-	-	16,500
			411,070	442,191	552,377
Total bonded indebtedness-revenue bonds (excluding unamortized bond discount)			986,635	1,021,131	1,311,932
Less unamortized bond discount			(6,249)	(6,138)	(8,764)
Total bonded indebtedness-revenue bonds (net of unamortized bond discount)			$ 980,386	$ 1,014,993	$ 1,303,168

Bonded indebtedness - revenue bonds (net of unamortized bond discount) are represented in the following Enterprise Funds:

Airports	$ 477,528	$ 462,213	$ 642,506
Harbors	91,788	110,589	108,285
Housing	411,070	442,191	552,377 *
	$ 980,386	$ 1,014,993	$ 1,303,168

*Includes $27,248 of Low Income Housing Revenue Bonds included in liabilities collateralized by HUD annual contributions.

TRUST AND AGENCY FUNDS

The Trust and Agency Funds are used to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governmental units or other funds. The Trust and Agency Funds consist of the following:

> Expendable Trust Funds - primarily accounts for receipt of monies and payment of benefits for the unemployment compensation plan.
>
> Tax Collections - various taxes paid under protest are deposited in a trust account. Disposition of these funds are made once the Department of Taxation's Board of Review or the State courts have rendered a decision on the taxpayer's protest.
>
> Employee Benefits - accounts for the deferred compensation plan established for public employees. It also accounts for the Hawaii Public Employees Health Fund, which includes medical, dental and life insurance and the Hawaii State Employees U. S. Savings Bonds investment program.
>
> Custodial and Clearance - clearing accounts for tax and certain collections pending subsequent distribution.

STATE OF HAWAII

Exhibit G-1

Trust and Agency Funds Combining Balance Sheet

June 30, 1990

(Amounts in thousands)

		Agency Funds			
ASSETS	**Expendable Trust Funds**	**Tax Collections**	**Employee Benefits**	**Custodial And Clearance**	**Total**
Cash and short-term cash investments	$ 366,527	$ 50,412	$ 6,079	$ 142,391	$ 565,409
Investments:					
U. S. Government securities	5,394	-	-	6,091	11,485
Repurchase agreements	10,000	-	-	-	10,000
Corporate stocks	118	-	-	-	118
Total investments	15,512	-	-	6,091	21,603
Other assets - assets held by agents for State Deferred Compensation Plan	-	-	145,905	-	145,905
Total Assets	$ 382,039	$ 50,412	$ 151,984	$ 148,482	$ 732,917
LIABILITIES AND FUND BALANCES					
Liabilities:					
Vouchers payable	196	4,839	-	128	5,163
Due to employees under State Deferred Compensation Plan	-	-	145,905	-	145,905
Due to individuals, businesses and counties	-	462	-	147,949	148,411
Due to other funds:					
General Fund	-	45,111	-	-	45,111
Special Revenue Funds	-	-	-	405	405
Other	-	-	6,079	-	6,079
Total Liabilities	196	50,412	151,984	148,482	351,074
Fund Balances - reserved for:					
Unemployment compensation	365,079	-	-	-	365,079
Other	16,764	-	-	-	16,764
Total Fund Balances	381,843	-	-	-	381,843
Total Liabilities and Fund Balances	$ 382,039	$ 50,412	$ 151,984	$ 148,482	$ 732,917

STATE OF HAWAII Exhibit G-2

Expendable Trust Funds
Statement of Revenues, Expenditures and Changes in Unreserved-Undesignated Fund Balances

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

Revenues:	
Unemployment compensation tax	$ 78,362
Interest and investment income	28,795
Charges for current services	83
Intergovernmental	3,193
Donations, contributions and deposits	11,943
Other	79
Total Revenues	122,455
Expenditures:	
Personal services	1,670
Unemployment compensation	46,379
Other	12,206
Total Expenditures	60,255
Excess of Revenues over Expenditures	62,200
Other Changes in Unreserved-Undesignated Fund Balances - increase in reserve for unemployment compensation and others	(62,200)
Excess of Revenues over Expenditures and Other Changes in Unreserved-Undesignated Fund Balances	-
Unreserved-Undesignated Fund Balances, July 1, 1989	-
Unreserved-Undesignated Fund Balances, June 30, 1990	$ -

STATE OF HAWAII

Exhibit G-3

All Agency Funds Combining Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Balance, July 1, 1989	Additions	Deductions	Balance, June 30, 1990
Tax Collections				
Assets - cash and short-term cash investments	$ 3,778	$ 2,940,491	$ 2,893,857	$ 50,412
Liabilities:				
Vouchers payable	3,344	4,839	3,344	4,839
Due to individuals, businesses and counties	384	2,940,491	2,940,413	462
Due to other funds:				
General Fund	-	45,111	-	45,111
Special Revenue Funds	50	-	50	-
Total Liabilities	$ 3,778	$ 2,990,441	$ 2,943,807	$ 50,412
Employee Benefits				
Assets:				
Cash and short-term cash investments	3,166	116,781	113,868	6,079
Assets held by agents for State Deferred Compensation Plan	109,804	42,379	6,278	145,905
Total Assets	$ 112,970	$ 159,160	$ 120,146	$ 151,984
Liabilities:				
Due to employees under State Deferred Compensation Plan	109,804	42,379	6,278	145,905
Other	3,166	116,781	113,868	6,079
Total Liabilities	$ 112,970	$ 159,160	$ 120,146	$ 151,984
Custodial and Clearance				
Assets:				
Cash and short-term cash investments	115,774	1,417,094	1,390,477	142,391
Investments	5,998	12,090	11,997	6,091
Total Assets	$ 121,772	$ 1,429,184	$ 1,402,474	$ 148,482
Liabilities:				
Vouchers payable	459	128	459	128
Due to individuals, businesses and counties	121,313	1,400,097	1,373,461	147,949
Due to Special Revenue Funds	-	405	-	405
Total Liabilities	$ 121,772	$ 1,400,630	$ 1,373,920	$ 148,482

STATE OF HAWAII

All Agency Funds
Combining Statement of Changes in Assets and Liabilities (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Balance, July 1, 1989	Additions	Deductions	Balance, June 30, 1990
Total - All Agency Funds				
Assets:				
Cash and short-term cash investments	$ 122,718	$ 4,474,366	$ 4,398,202	$ 198,882
Investments	5,998	12,090	11,997	6,091
Assets held by agents for State Deferred Compensation Plan	109,804	42,379	6,278	145,905
Total Assets	$ 238,520	$ 4,528,835	$ 4,416,477	$ 350,878
Liabilities:				
Vouchers payable	3,803	4,967	3,803	4,967
Due to employees under State Deferred Compensation Plan	109,804	42,379	6,278	145,905
Due to individuals, businesses and counties	121,697	4,340,588	4,313,874	148,411
Due to other funds:				
General Fund	-	45,111	-	45,111
Special Revenue Funds	50	405	50	405
Other	3,166	116,781	113,868	6,079
Total Liabilities	$ 238,520	$ 4,550,231	$ 4,437,873	$ 350,878

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for the fixed assets of the State, excluding those in the custody of Enterprise and University Funds.

General Fixed Assets Account Group
Schedule of General Fixed Assets

June 30, 1990

(Amounts in thousands)

General Fixed Assets:	
Land	$ 186,504
Buildings and improvements	1,171,149
Equipment	273,626
Construction in progress	99,607
Total General Fixed Assets	$ 1,730,886
Investment in General Fixed Assets	$ 1,730,886

See note 7 for the schedule of changes in general fixed assets.

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

The General Long-Term Obligations Account Group is used to account for all long-term obligations of the State, including general obligation bonds (except for those accounted for in the Enterprise and University Funds) and other long-term obligations.

STATE OF HAWAII

Schedule I-1

General Long-Term Obligations Account Group
Schedule of General Long-Term Obligations

June 30, 1990

(Amounts in thousands)

Amount Available and Resources to Be Provided in Future Years:		
Amount available in Debt Service Fund		$ 68
Resources to be provided in future years - retirement of:		
Claims and judgments payable	$ 2,000	
General obligation bonds payable	1,967,488	
Notes and installment contracts payable	3,612	
Capital lease obligation	2,410	
Accrued vacation payable	86,977	
Total resources to be provided in future years		2,062,487
Total Amount Available and Resources to Be Provided In Future Years		$ 2,062,555
General Long-Term Obligations:		
Claims and judgments payable		2,000
Bonds payable - general obligation bonds payable		1,967,556
Notes and installment contracts payable:		
Notes payable for Hawaiian Home Lands projects	1,248	
Installment contracts payable	2,364	
Total notes and installment contracts payable		3,612
Capital lease obligation		2,410
Accrued vacation payable		86,977
Total General Long-Term Obligations		$ 2,062,555

See note 12 for the schedule of changes in general long-term obligations.

Schedule of Changes in General Long-Term Bonded Indebtedness - General Obligation Bonds

Last Three Fiscal Years

(Amounts in thousands)

Bonded indebtedness - general obligation bonds at June 30, 1987	$ 1,823,677
Less general obligation bonds matured during the fiscal year ended June 30, 1988	(135,694)
	1,687,983
Add:	
General obligation bonds issued, December 1, 1987	80,000
General obligation bonds issued, April 1, 1988	80,000
Bonded indebtedness - general obligation bonds at June 30, 1988	1,847,983
Less general obligation bonds matured during the fiscal year ended June 30, 1989	(139,944)
	1,708,039
Add:	
General obligation bonds issued, December 6, 1988	110,000
General obligation bonds issued, June 1, 1989	160,000
Bonded indebtedness - general obligation bonds at June 30, 1989	1,978,039
Less:	
General obligation bonds matured during the fiscal year ended June 30, 1990	(144,209)
General obligation bonds, Series BA, March 1, 1985, defeased by general obligation refunding bonds of 1989, Series BO, August 1, 1989	(64,820)
General obligation bonds, Series BM, December 6, 1988, defeased by general obligation refunding bonds of 1989, Series BP, August 1, 1989	(45,000)
	1,724,010
Add:	
General obligation bonds issued, August 1, 1989	74,730
General obligation bonds issued, August 1, 1989	47,355
General obligation bonds issued, November 1, 1989	80,005
General obligation bonds issued, June 1, 1990	100,000
Bonded indebtedness - general obligation bonds at June 30, 1990	$ 2,026,100

Bonded indebtedness - general obligation bonds at June 30, 1990 are reflected in the following account group and funds:

General Long-Term Obligations Account Group	$ 1,967,556
Enterprise Funds	33,100
University Funds	25,444
	$ 2,026,100

Schedule of General Obligation Bonds Outstanding

Last Three Fiscal Years

(Amounts in thousands)

Date of Issue	Interest Rate	Maturity Date	Amount Outstanding		
			June 30, 1988	June 30, 1989	June 30, 1990
November 1, 1963	3.500%	May and November 1, 1985/1988	$ 880	$ -	$ -
September 1, 1968	4.350	September 1, 1987/1988	2,110	-	-
March 1, 1969	5.200	March 1, 1987/1989	1,665	-	-
September 1, 1969	3.000	September 1, 1972/1989	430	215	-
April 1, 1970	5.500	April 1, 1989/1990	3,330	1,665	-
October 1, 1970	6.500	October 1, 1988	3,055	-	-
October 1, 1970	5.500	October 1, 1989/1990	6,110	6,110	3,055
March 1, 1971	5.000	March 1, 1988/1989	3,055	-	-
March 1, 1971	4.000	March 1, 1990/1991	6,110	6,110	3,055
September 1, 1971	5.100	September 1, 1987/1988	3,055	-	-
September 1, 1971	5.000	September 1, 1989	3,055	3,055	-
September 1, 1971	4.250	September 1, 1990/1991	6,110	6,110	6,110
February 1, 1972	5.000	February 1, 1987/1990	6,110	3,055	-
February 1, 1972	4.250	February 1, 1991/1992	6,110	6,110	6,110
August 1, 1972	5.000	August 1, 1975/1992	660	540	415
August 1, 1972	5.200	August 1, 1988	3,055	-	-
August 1, 1972	5.250	August 1, 1989/1990	6,110	6,110	6,110
August 1, 1972	5.400	August 1, 1991	3,055	3,055	3,055
August 1, 1972	5.000	August 1, 1992	3,055	3,055	-
August 1, 1972	4.000	August 1, 1993/2007	3,380	3,380	3,380
February 1, 1973	4.900	February 1, 1989/1990	6,110	3,055	-
February 1, 1973	5.000	February 1, 1991/1992	6,110	6,110	6,110
February 1, 1973	4.000	February 1, 1993	3,055	3,055	3,055
June 1, 1973	4.900	June 1, 1989/1990	8,330	4,165	-
June 1, 1973	5.000	June 1, 1991/1993	12,495	12,495	12,495
December 1, 1973	4.900	December 1, 1988	1,945	-	-
December 1, 1973	5.000	December 1, 1989/1993	9,725	9,725	7,780
April 1, 1974	5.500	April 1, 1987/1989	4,165	-	-
April 1, 1974	5.600	April 1, 1990/1991	8,330	8,330	4,165
April 1, 1974	5.700	April 1, 1992	4,165	4,165	4,165
April 1, 1974	5.750	April 1, 1993	4,165	4,165	4,165
April 1, 1974	5.000	April 1, 1994	4,165	4,165	4,165
March 1, 1975	6.300	March 1, 1989	4,165	-	-
March 1, 1975	6.400	March 1, 1990	4,165	4,165	-
March 1, 1975	6.500	March 1, 1991/1993	12,495	12,495	12,495
March 1, 1975	5.750	March 1, 1994/1995	8,330	8,330	8,330
September 1, 1975	6.300	September 1, 1988	4,165	-	-
September 1, 1975	6.400	September 1, 1989	4,165	4,165	-
September 1, 1975	6.500	September 1, 1990	4,165	4,165	4,165
September 1, 1975	6.600	September 1, 1991	4,165	4,165	4,165
September 1, 1975	6.700	September 1, 1992	4,165	4,165	4,165
September 1, 1975	6.800	September 1, 1993	4,165	4,165	4,165
September 1, 1975	6.000	September 1, 1994/1995	8,330	8,330	8,330
November 1, 1975	6.100	November 1, 1988	2,775	-	-
November 1, 1975	6.300	November 1, 1989	2,775	2,775	-

STATE OF HAWAII

Schedule of General Obligation Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

			Amount Outstanding		
Date of Issue	Interest Rate	Maturity Date	June 30, 1988	June 30, 1989	June 30, 1990
November 1, 1975	6.400%	November 1, 1990	$ 2,775	$ 2,775	$ 2,775
November 1, 1975	6.500	November 1, 1991/1993	8,325	8,325	8,325
November 1, 1975	5.500	November 1, 1994/1995	5,550	5,550	5,550
March 1, 1976	6.000	March 1, 1989	4,165	-	-
March 1, 1976	6.100	March 1, 1990	4,165	4,165	-
March 1, 1976	6.200	March 1, 1991	4,165	4,165	4,165
March 1, 1976	6.250	March 1, 1992	4,165	4,165	4,165
March 1, 1976	6.000	March 1, 1993/1994	8,330	8,330	8,330
March 1, 1976	5.500	March 1, 1995/1996	8,330	8,330	8,330
June 1, 1976	5.800	June 1, 1989	4,165	-	-
June 1, 1976	6.000	June 1, 1990/1991	8,330	8,330	4,165
June 1, 1976	6.200	June 1, 1992/1993	8,330	8,330	8,330
June 1, 1976	6.000	June 1, 1994	4,165	4,165	4,165
June 1, 1976	5.500	June 1, 1995/1996	8,330	8,330	8,330
September 1, 1976	6.500	March 1, 1988/September 1, 1988	215	-	-
September 1, 1976	6.000	March 1, 1989/September 1, 1998	6,115	5,890	5,425
September 1, 1976	6.100	March 1, 1999/September 1, 1999	850	850	850
September 1, 1976	6.200	March 1, 2000/September 1, 2003	3,990	3,990	3,990
September 1, 1976	6.250	March 1, 2004/September 1, 2005	2,405	2,405	2,405
September 1, 1976	6.300	March 1, 2006/September 1, 2007	2,730	2,730	2,730
September 1, 1976	6.000	March 1, 2008/September 1, 2011	6,605	6,605	6,605
December 1, 1976	4.800	December 1, 1988	4,165	-	-
December 1, 1976	4.900	December 1, 1989	4,165	4,165	-
December 1, 1976	5.000	December 1, 1990/1992	12,495	12,495	12,495
December 1, 1976	5.200	December 1, 1993/1994	8,330	8,330	8,330
December 1, 1976	4.500	December 1, 1995/1996	8,330	8,330	8,330
April 1, 1977	4.900	April 1, 1989	4,165	-	-
April 1, 1977	5.000	April 1, 1990	4,165	4,165	-
April 1, 1977	5.100	April 1, 1991	4,165	4,165	4,165
April 1, 1977	5.200	April 1, 1992	4,165	4,165	4,165
April 1, 1977	5.250	April 1, 1993/1994	8,330	8,330	8,330
April 1, 1977	5.500	April 1, 1995	4,165	4,165	4,165
April 1, 1977	5.000	April 1, 1996	4,165	4,165	4,165
April 1, 1977	4.500	April 1, 1997	4,165	4,165	4,165
August 1, 1977	4.700	August 1, 1988	4,165	-	-
August 1, 1977	4.800	August 1, 1989	4,165	4,165	-
August 1, 1977	4.900	August 1, 1990	4,165	4,165	4,165
August 1, 1977	5.000	August 1, 1991/1992	8,330	8,330	8,330
August 1, 1977	5.100	August 1, 1993/1994	8,330	8,330	8,330
August 1, 1977	5.200	August 1, 1995/1996	8,330	8,330	8,330
August 1, 1977	4.250	August 1, 1997	4,165	4,165	4,165
February 1, 1978	5.000	February 1, 1985/1989	4,165	-	-
February 1, 1978	5.100	February 1, 1990/1991	8,330	8,330	4,165
February 1, 1978	5.200	February 1, 1992	4,165	4,165	4,165
February 1, 1978	5.250	February 1, 1993/1998	24,990	24,990	24,990

STATE OF HAWAII

Schedule of General Obligation Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

			Amount Outstanding		
Date of Issue	Interest Rate	Maturity Date	June 30, 1988	June 30, 1989	June 30, 1990
June 1, 1978	5.200%	June 1, 1989	$ 4,165	$ -	$ -
June 1, 1978	5.250	June 1, 1990	4,165	4,165	-
June 1, 1978	5.300	June 1, 1991	4,165	4,165	4,165
June 1, 1978	5.400	June 1, 1992	4,165	4,165	4,165
June 1, 1978	5.500	June 1, 1993/1994	8,330	8,330	8,330
June 1, 1978	5.600	June 1, 1995/1997	12,495	12,495	12,495
June 1, 1978	5.000	June 1, 1998	4,165	4,165	4,165
February 1, 1979	5.900	February 1, 1983/1994	24,990	20,825	16,660
February 1, 1979	6.000	February 1, 1995/1999	20,825	20,825	20,825
July 1, 1979	5.600	July 1, 1984/1988	4,165	-	-
July 1, 1979	5.700	July 1, 1989/1994	24,990	24,990	20,825
July 1, 1979	5.750	July 1, 1995/1997	12,495	12,495	12,495
July 1, 1979	5.900	July 1, 1998/1999	8,330	8,330	8,330
June 1, 1980	6.300	June 1, 1984/1991	12,495	8,330	4,165
June 1, 1980	6.400	June 1, 1992/1993	8,330	8,330	8,330
June 1, 1980	6.500	June 1, 1994	4,165	4,165	4,165
June 1, 1980	6.600	June 1, 1995	4,165	4,165	4,165
June 1, 1980	6.750	June 1, 1996/1997	8,330	8,330	8,330
June 1, 1980	7.000	June 1, 1998	4,165	4,165	4,165
June 1, 1980	7.100	June 1, 1999/2000	8,330	8,330	8,330
October 1, 1982	9.100	October 1, 1985/1992	12,510	8,340	4,170
March 1, 1983	8.000	March 1, 1989/1993	12,510	8,340	4,170
June 1, 1983	8.800	June 1, 1987/1995	12,510	8,340	4,170
October 1,1983	8.400	October 1, 1986/1991	12,510	8,340	4,170
April 1, 1984	9.100	April 1, 1987/1992	12,510	8,340	4,170
October 1, 1984	9.250	October 1, 19878/1990	12,510	8,340	4,170
March 1, 1985	8.400	March 1, 1986/1993	46,300	37,040	27,780
March 1, 1985	8.500	March 1, 1994	9,260	9,260	9,260
March 1, 1985	8.700	March 1, 1995	9,260	9,260	9,260
March 1, 1985	8.800	March 1, 1996	9,260	9,260	-
March 1, 1985	9.000	March 1, 1997	9,260	9,260	-
March 1, 1985	9.100	March 1, 1998	9,260	9,260	-
March 1, 1985	9.300	March 1, 1999	9,260	9,260	-
March 1, 1985	9.375	March 1, 2000/2002	27,780	27,780	-
June 1, 1985	8.000	June 1, 1988/2005	70,830	66,660	62,490
July 1, 1985	7.400	July 1, 1988/1993	28,090	23,405	18,720
July 1, 1985	7.600	July 1, 1994	4,680	4,680	4,680
July 1, 1985	7.750	July 1, 1995/1996	9,360	9,360	9,360
July 1, 1985	8.000	July 1, 1997/2001	23,400	23,400	23,400
November 1, 1985	7.700	November 1, 1988/1994	29,185	25,015	20,845
November 1, 1985	7.800	November 1, 1995	4,165	4,165	4,165
November 1, 1985	8.000	November 1, 1996	4,165	4,165	4,165
November 1, 1985	8.200	November 1, 1997	4,165	4,165	4,165
November 1, 1985	8.300	November 1, 1998	4,165	4,165	4,165
November 1, 1985	8.400	November 1, 1999	4,165	4,165	4,165

STATE OF HAWAII

Schedule of General Obligation Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

			Amount Outstanding		
Date of Issue	Interest Rate	Maturity Date	June 30, 1988	June 30, 1989	June 30, 1990
November 1, 1985	8.500%	November 1, 2000/2005	$ 24,990	$ 24,990	$ 24,990
March 1, 1986	6.250	March 1, 1989/1997	37,515	33,345	29,175
March 1, 1986	6.300	March 1, 1998	4,165	4,165	4,165
March 1, 1986	6.400	March 1, 1999	4,165	4,165	4,165
March 1, 1986	6.500	March 1, 2000	4,165	4,165	4,165
March 1, 1986	6.600	March 1, 2001/2006	24,990	24,990	24,990
August 1, 1986	6.900	August 1, 1989/1997	40,005	40,005	35,560
August 1, 1986	7.000	August 1, 1998/1999	8,890	8,890	8,890
August 1, 1986	7.100	August 1, 2000/2006	31,105	31,105	31,105
November 1, 1986	6.000	November 1, 1991/1996	116,360	116,360	116,360
November 1, 1986	6.100	November 1, 1997	19,390	19,390	19,390
November 1, 1986	6.300	November 1, 1998	19,390	19,390	19,390
November 1, 1986	6.400	November 1, 1999	19,390	19,390	19,390
November 1, 1986	6.600	November 1, 2000	19,390	19,390	19,390
November 1, 1986	6.700	November 1, 2001	19,390	19,390	19,390
November 1, 1986	6.750	November 1, 2002	19,390	19,390	19,390
November 1, 1986	6.800	November 1, 2003	19,390	19,390	19,390
March 1, 1987	5.400	March 1, 1990/1994	22,225	22,225	17,780
March 1, 1987	5.500	March 1, 1995/1997	13,335	13,335	13,335
March 1, 1987	5.600	March 1, 1998	4,445	4,445	4,445
March 1, 1987	5.700	March 1, 1999	4,445	4,445	4,445
March 1, 1987	5.800	March 1, 2000	4,445	4,445	4,445
March 1, 1987	5.900	March 1, 2001	4,445	4,445	4,445
March 1, 1987	6.000	March 1, 2002/2007	26,660	26,660	26,660
March 1, 1987	5.400	March 1, 1992/1994	28,065	28,065	28,065
March 1, 1987	5.500	March 1, 1995/1997	28,065	28,065	28,065
March 1, 1987	5.600	March 1, 1998	9,355	9,355	9,355
March 1, 1987	5.700	March 1, 1999	9,355	9,355	9,355
March 1, 1987	5.800	March 1, 2000	9,355	9,355	9,355
March 1, 1987	5.900	March 1, 2001	9,355	9,355	9,355
March 1, 1987	6.000	March 1, 2002/2004	28,060	28,060	28,060
December 1, 1987	6.750	December 1, 1990/1997	35,560	35,560	35,560
December 1, 1987	6.800	December 1, 1998	4,445	4,445	4,445
December 1, 1987	6.900	December 1, 1999	4,445	4,445	4,445
December 1, 1987	7.000	December 1, 2000	4,445	4,445	4,445
December 1, 1987	7.100	December 1, 2001	4,445	4,445	4,445
December 1, 1987	7.250	December 1, 2002	4,445	4,445	4,445
December 1, 1987	7.400	December 1, 2003	4,445	4,445	4,445
December 1, 1987	7.500	December 1, 2004	4,445	4,445	4,445
December 1, 1987	7.600	December 1, 2005	4,445	4,445	4,445
December 1, 1987	7.650	December 1, 2006	4,440	4,440	4,440
December 1, 1987	7.700	December 1, 2007	4,440	4,440	4,440
April 1, 1988	6.125	April 1, 1991/1995	22,225	22,225	22,225
April 1, 1988	6.250	April 1, 1996	4,445	4,445	4,445
April 1, 1988	6.400	April 1, 1997	4,445	4,445	4,445

STATE OF HAWAII

Schedule of General Obligation Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

Date of Issue	Interest Rate	Maturity Date	Amount Outstanding June 30, 1988	Amount Outstanding June 30, 1989	Amount Outstanding June 30, 1990
April 1, 1988	6.500%	April 1, 1998	$ 4,445	$ 4,445	$ 4,445
April 1, 1988	6.600	April 1, 1999	4,445	4,445	4,445
April 1, 1988	6.750	April 1, 2000	4,445	4,445	4,445
April 1, 1988	6.800	April 1, 2001	4,445	4,445	4,445
April 1, 1988	7.000	April 1, 2002	4,445	4,445	4,445
April 1, 1988	7.100	April 1, 2003	4,445	4,445	4,445
April 1, 1988	7.200	April 1, 2004	4,445	4,445	4,445
April 1, 1988	7.300	April 1, 2005	4,445	4,445	4,445
April 1, 1988	7.400	April 1, 2006/2007	8,885	8,885	8,885
April 1, 1988	7.500	April 1, 2008	4,440	4,440	4,440
December 6, 1988	6.581	December 1, 1993	-	4,059	4,059
December 6, 1988	6.681	December 1, 1994	-	4,065	4,065
December 6, 1988	6.781	December 1, 1995	-	4,061	4,061
December 6, 1988	6.881	December 1, 1996	-	4,066	4,066
December 6, 1988	6.981	December 1, 1997	-	4,059	4,059
December 6, 1988	7.081	December 1, 1998	-	4,065	4,065
December 6, 1988	7.181	December 1, 1999	-	4,061	4,061
December 6, 1988	7.281	December 1, 2000	-	4,065	4,065
December 6, 1988	7.381	December 1, 2001	-	4,059	4,059
December 6, 1988	7.481	December 1, 2002	-	4,065	4,065
December 6, 1988	7.581	December 1, 2003	-	4,060	4,060
December 6, 1988	7.631	December 1, 2004	-	4,065	4,065
December 6, 1988	7.681	December 1, 2005/2008	-	16,250	16,250
December 6, 1988	12.000	December 1, 1993/1997	-	45,000	-
June 1, 1989	7.000	June 1, 1992/2005	-	124,460	124,460
June 1, 1989	7.050	June 1, 2006/2007	-	17,770	17,770
June 1, 1989	7.100	June 1, 2008/2009	-	17,770	17,770
August 1, 1989	6.100	August 1, 1994	-	-	8,305
August 1, 1989	6.200	August 1, 1995/1996	-	-	16,610
August 1, 1989	6.250	August 1, 1997/1998	-	-	16,610
Agusut 1, 1989	6.375	August 1, 1999	-	-	8,305
August 1, 1989	6.500	August 1, 2000/2001	-	-	16,600
August 1, 1989	6.600	August 1, 2002	-	-	8,300
August 1, 1989	6.000	August 1, 1993	-	-	2,790
August 1, 1989	6.100	August 1, 1994	-	-	2,790
August 1, 1989	6.200	August 1, 1995/1996	-	-	5,570
August 1, 1989	6.250	August 1, 1997/1998	-	-	5,570
August 1, 1989	6.375	August 1, 1999	-	-	2,785
August 1, 1989	6.500	August 1, 2000/2001	-	-	5,570
August 1, 1989	6.600	August 1, 2002	-	-	2,785
August 1, 1989	6.000	August 1, 2003/2004	-	-	5,570
August 1, 1989	5.750	August 1, 2005/2009	-	-	13,925
November 28, 1989	6.200	December 1, 1992	-	-	4,445

STATE OF HAWAII

Schedule of General Obligation Bonds Outstanding (Cont'd)

Last Three Fiscal Years

(Amounts in thousands)

			Amount Outstanding		
Date of Issue	Interest Rate	Maturity Date	June 30, 1988	June 30, 1989	June 30, 1990
November 28, 1989	6.300%	December 1, 1993	$ -	$ -	$ 4,445
November 28, 1989	6.500	December 1, 1994/1995	-	-	8,887
November 28, 1989	6.600	December 1, 1996	-	-	4,445
November 28, 1989	8.250	December 1, 1997	-	-	4,445
November 28, 1989	6.750	December 1, 1998	-	-	4,445
November 28, 1989	6.800	December 1, 1999	-	-	4,445
November 28, 1989	6.900	December 1, 2000	-	-	4,445
November 28, 1989	6.950	December 1, 2001	-	-	4,445
November 28, 1989	7.000	December 1, 2002	-	-	4,445
November 28, 1989	7.050	December 1, 2003	-	-	4,445
November 28, 1989	6.000	December 1, 2004	-	-	4,445
November 28, 1989	7.100	December 1, 2005/2006	-	-	8,889
November 28, 1989	7.150	December 1, 2007/2009	-	-	13,334
June 1, 1990	8.000	June 1, 1993	-	-	5,555
June 1, 1990	6.250	June 1, 1994	-	-	5,555
June 1, 1990	6.350	June 1, 1995	-	-	5,555
June 1, 1990	6.450	June 1, 1996	-	-	5,555
June 1, 1990	6.500	June 1, 1997	-	-	5,560
June 1, 1990	6.600	June 1, 1998	-	-	5,555
June 1, 1990	6.700	June 1, 1999	-	-	5,555
June 1, 1990	6.750	June 1, 2000	-	-	5,555
June 1, 1990	6.800	June 1, 2001	-	-	5,555
June 1, 1990	6.900	June 1, 2002	-	-	5,555
June 1, 1990	6.950	June 1, 2003	-	-	5,555
June 1, 1990	7.000	June 1, 2004/2010	-	-	38,890
Halawa Jail Bonds (transferred from City and County of Honolulu) - various	Various	Various	43	29	15
Total bonded indebtedness - general obligation bonds			$ 1,847,983	$ 1,978,039	$ 2,026,100

Bonded indebtedness - general obligation bonds are reflected in the following account group and funds:

	June 30, 1988	June 30, 1989	June 30, 1990
General Long-Term Obligations Account Group	$ 1,777,408	$ 1,913,456	$ 1,967,556
Enterprise Funds	43,997	38,557	33,100
University Funds	26,578	26,026	25,444
	$ 1,847,983	$ 1,978,039	$ 2,026,100

Schedule of Matured General Obligation Bonds Outstanding

Last Three Fiscal Years

(Amounts in thousands)

Date Of	Matured Bonds Outstanding	Fiscal Year Ended June 30, 1988		Matured Bonds Outstanding
Issue	June 30, 1987	Maturities	Redemptions	June 30, 1988
May 1, 1956	$ 1	$ -	$ -	$ 1
May 15, 1957	5	-	-	5
November 1, 1963	165	1,760	840	1,085
June 1, 1966	50	-	-	50
May 15, 1967	20	-	-	20
September 1, 1967	-	450	440	10
November 1, 1967	-	1,110	1,110	-
March 1, 1968	-	1,665	1,665	-
September 1, 1968	-	2,110	2,110	-
March 1, 1969	190	1,665	1,640	215
September 1, 1969	-	215	215	-
April 1, 1970	-	1,665	1,655	10
October 1, 1970	-	3,055	3,055	-
March 1, 1971	755	3,055	715	3,095
September 1, 1971	130	3,055	3,055	130
February 1, 1972	15	3,055	3,055	15
August 1, 1972	-	3,165	3,165	-
February 1, 1973	30	3,055	3,085	-
June 1, 1973	55	4,165	4,100	120
December 1, 1973	100	1,945	1,875	170
April 1, 1974	100	4,165	4,125	140
March 1, 1975	130	4,165	4,225	70
September 1, 1975	-	4,165	4,165	-
November 1, 1975	10	2,780	2,790	-
March 1, 1976	50	4,165	4,200	15
June 1, 1976	450	4,165	4,585	30
September 1, 1976	-	415	415	-
December 1, 1976	60	4,165	3,635	590
April 1, 1977	-	4,165	4,165	-
August 1, 1977	-	4,165	3,965	200
February 1, 1978	150	4,165	4,115	200
June 1, 1978	50	4,165	4,130	85
February 1, 1979	150	4,165	4,315	-
July 1, 1979	-	4,170	4,170	-
June 1, 1980	3,960	4,170	6,885	1,245
October 1, 1982	-	4,170	4,170	-
March 1, 1983	125	4,170	4,170	125
Ju[illegible] 1, 1983	-	4,170	4,170	-
October 1, 1983	-	4,170	4,170	-
April 1, 1984	-	4,170	4,170	-
October 1, 1984	-	4,170	4,170	-
March 1, 1985	-	9,265	9,215	50
June 1, 1985	-	4,170	4,170	-
July 1, 1985	-	4,685	4,685	-
November 1, 1985	-	-	-	-
March 1, 1986	-	-	-	-
August 1, 1986	-	-	-	-
March 1, 1987	-	-	-	-
Halawa Jail Bonds - various	-	14	14	-
	$ 6,751	$ 135,694	$ 134,769	$ 7,676

Fiscal Year Ended June 30, 1989		Matured Bonds Outstanding June 30, 1989	Fiscal Year Ended June 30, 1990		Matured Bonds Outstanding June 30, 1990
Maturities	Redemptions		Maturities	Redemptions	
$ -	$ -	$ 1	$ -	$ -	$ 1
-	-	5	-	-	5
880	1,770	195	-	-	195
-	-	50	-	-	50
-	20	-	-	-	-
-	-	10	-	-	10
-	-	-	-	-	-
-	-	-	-	-	-
2,110	2,105	5	-	-	5
1,665	1,635	245	-	10	235
215	215	-	215	215	-
1,665	1,675	-	1,665	1,660	5
3,055	3,045	10	3,055	3,055	10
3,055	5,130	1,020	3,055	-	4,075
3,055	3,045	140	3,055	3,055	140
3,055	3,060	10	3,055	3,060	5
3,175	3,175	-	3,180	3,175	5
3,055	3,055	-	3,055	3,055	-
4,165	4,160	125	4,165	4,215	75
1,945	1,985	130	1,945	1,960	115
4,165	4,295	10	4,165	4,175	-
4,165	4,235	-	4,165	4,165	-
4,165	4,165	-	4,165	4,165	-
2,775	2,775	-	2,775	2,775	-
4,165	4,165	15	4,165	4,115	65
4,165	4,110	85	4,165	4,105	145
440	440	-	465	465	-
4,165	3,495	1,260	4,165	60	5,365
4,165	4,165	-	4,165	4,155	10
4,165	4,365	-	4,165	4,165	-
4,165	4,190	175	4,165	4,190	150
4,165	4,175	75	4,165	4,180	60
4,165	4,165	-	4,165	4,165	-
4,165	4,165	-	4,165	4,165	-
4,165	4,280	1,130	4,165	3,635	1,660
4,170	4,170	-	4,170	4,170	-
4,170	4,295	-	4,170	4,170	-
4,170	4,095	75	4,170	4,195	50
4,170	4,120	50	4,170	4,220	-
4,170	4,165	5	4,170	4,175	-
4,170	4,170	-	4,170	4,170	-
9,260	9,310	-	9,260	9,230	30
4,170	4,170	-	4,170	4,170	-
4,685	4,685	-	4,685	4,685	-
4,170	4,170	-	4,170	4,170	-
4,170	4,170	-	4,170	4,170	-
-	-	-	4,445	4,445	-
-	-	-	4,445	4,445	-
14	-	14	14	28	-
$ 139,944	$ 142,780	$ 4,840	$ 144,209	$ 136,583	$ 12,466

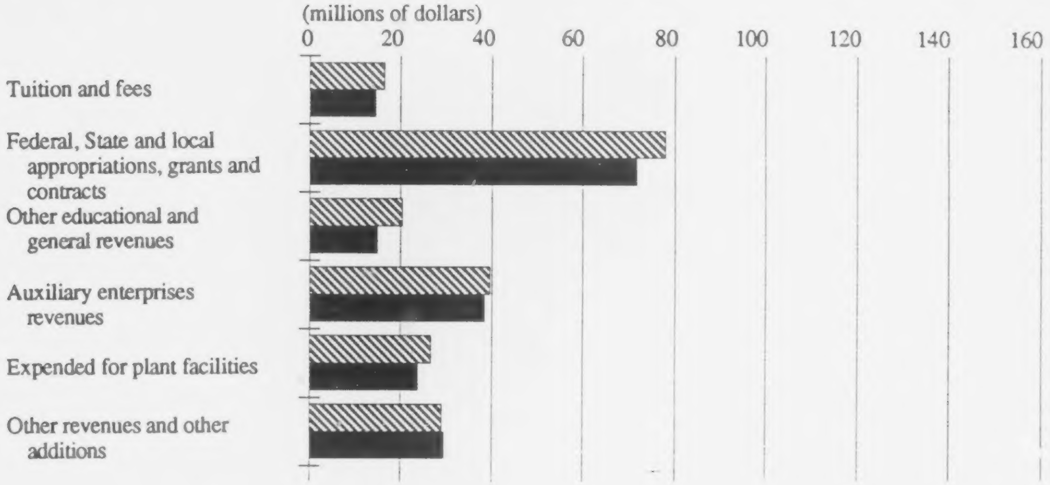
UNIVERSITY FUNDS

The University Funds are used to account for all transactions relating to public institutions of higher education. The University Funds are comprised of the following:

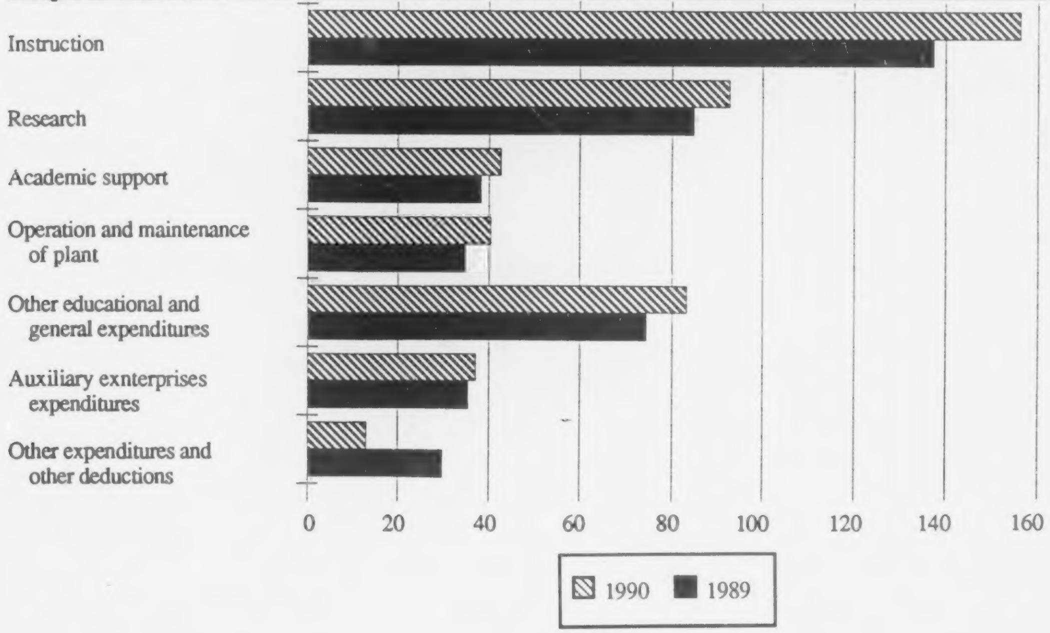
- Universities:
  - University of Hawaii at Hilo
  - University of Hawaii at Manoa
  - University of Hawaii at West Oahu
- Community colleges:
  - Hawaii Community College
  - Honolulu Community College
  - Kapiolani Community College
  - Kauai Community College
  - Leeward Community College
  - Maui Community College
  - Windward Community College

UNIVERSITY FUNDS

Revenues Other Additions



Expenditures and Other Deductions



STATE OF HAWAII

Exhibit J-1

University Funds
Combining Balance Sheet

June 30, 1990

(Amounts in thousands)

ASSETS	Current Funds Unrestricted	Current Funds Restricted	Loan Funds	Endowment Funds	Agency Funds
Cash and short-term cash investments	$ 47,230	$ 7,795	$ 2,004	$ 2,638	$ 4,552
Receivables:					
Accounts and accrued interest (net of allowance for doubtful accounts of $183)	2,775	6,263	27	218	376
Notes (net of allowance for doubtful accounts of $1,618)	-	-	17,435	-	-
Claims - Federal grants	1	11,898	-	-	-
Other	-	-	-	-	-
Due from Internal University Funds	-	-	-	298	-
Due from General Fund	35,059	-	-	-	-
Investments	-	-	-	23,622	-
Inventory	8,912	-	-	-	-
Property, plant and equipment	-	-	-	-	-
Prepaid expenses	326	-	-	-	-
Total Assets	$ 94,303	$ 25,956	$ 19,466	$ 26,776	$ 4,928
LIABILITIES AND FUND BALANCES					
Liabilities:					
Vouchers and contracts payable	10,532	4,293	-	87	337
Other accrued liabilities	22,116	2,409	5	-	-
Due to Internal University Funds	667	87	-	-	-
Advances from Federal Government	-	9,444	-	-	-
General obligation bonds payable	-	-	-	-	-
Installment contracts payable	-	-	-	-	-
Deferred revenue	7,904	-	-	-	-
Revenue bonds payable	-	-	-	-	-
Other	52	5,182	-	-	4,591
Total Liabilities	41,271	21,415	5	87	4,928
Fund Balances:					
Investment in fixed assets	-	-	-	-	-
Federal grants refundable	-	-	11,460	-	-
University Funds:					
Restricted	-	4,541	8,001	26,689	-
Unrestricted	53,032	-	-	-	-
Total Fund Balances	53,032	4,541	19,461	26,689	-
Total Liabilities and Fund Balances	$ 94,303	$ 25,956	$ 19,466	$ 26,776	$ 4,928

Plant Funds				
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Total
$ 3,138	$ 5,147	$ 728	$ -	$ 73,232
-	-	12	-	9,671
-	-	-	-	17,435
118	-	119	-	12,136
-	-	-	1,916	1,916
-	-	668	-	966
-	-	-	-	35,059
-	-	952	-	24,574
-	-	-	-	8,912
-	-	-	675,358	675,358
-	-	-	-	326
$ 3,256	$ 5,147	$ 2,479	$ 677,274	$ 859,585
15	120	-	-	15,384
-	-	602	-	25,132
-	-	-	212	966
-	-	-	-	9,444
-	-	-	25,444	25,444
-	-	-	1,082	1,082
-	-	-	-	7,904
-	-	-	5,988	5,988
-	-	-	-	9,825
15	120	602	32,726	101,169
3,241	5,027	1,877	644,548	654,693
-	-	-	-	11,460
-	-	-	-	39,231
-	-	-	-	53,032
3,241	5,027	1,877	644,548	758,416
$ 3,256	$ 5,147	$ 2,479	$ 677,274	$ 859,585

STATE OF HAWAII

Exhibit J-2

University Funds
Combining Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Current Funds		Loan	Endowment
	Unrestricted	Restricted	Funds	Funds
Revenues and Other Additions:				
Educational and general revenues:				
Tuition and fees	$ 16,489	$ -	$ -	$ -
Federal appropriations, grants and contracts	5,550	71,485	369	-
State and local grants and contracts	4	9,638	-	-
Private gifts, grants and contracts	-	8,259	-	18
Sales and services	-	9	-	-
Endowment income and others	444	1,293	-	-
Auxiliary enterprises revenues	39,616	-	-	-
Investment income	-	-	536	1,248
Expended for plant facilities	-	-	-	-
Contributions for plant facilities	-	-	-	-
Contributions for renewals and replacements	-	-	-	-
Contributions for debt retirement	-	-	-	-
Decrease in allowance for uncollectible loans	-	-	2,029	-
Other	10,869	336	10	-
Total Revenues and Other Additions	72,972	91,020	2,944	1,266
Expenditures and Other Deductions:				
Educational and general expenditures:				
Instruction	146,169	10,097	-	-
Research	40,715	52,151	-	-
Public service	14,075	13,607	-	-
Academic support	40,585	2,180	-	-
Student services	17,412	2,304	-	-
Institutional support	27,055	453	-	-
Operation and maintenance of plant	39,646	878	-	-
Scholarships and fellowships	295	8,105	-	-
Auxiliary enterprises expenditures	37,181	-	-	-
Independent operation expenditures	3,056	434	-	-
Expenditures for plant facilities	-	-	-	-
Loan cancellations, write-offs and allowance for uncollectible loans	-	-	452	-
Debt retirement and interest	-	-	-	-
Disposal and write-off of plant facilities	-	-	-	-
Other	-	-	102	-
Total Expenditures and Other Deductions	$ 366,189	$ 90,209	$ 554	$ -

Plant Funds				
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Total
$ -	$ -	$ -	$ -	$ 16,489
246	-	351	-	78,001
-	-	-	-	9,642
-	-	-	856	9,133
-	-	-	-	9
-	-	-	-	1,737
-	-	-	-	39,616
16	-	134	-	1,934
-	-	-	26,762	26,762
-	-	-	7,686	7,686
-	14	-	-	14
-	-	175	1,276	1,451
-	-	-	-	2,029
-	-	-	4,790	16,005
262	14	660	41,370	210,508
-	-	-	-	156,266
-	-	-	-	92,866
-	-	-	-	27,682
-	-	-	-	42,765
-	-	-	-	19,716
-	-	-	-	27,508
-	-	-	-	40,524
-	-	-	-	8,400
-	-	-	-	37,181
-	-	-	-	3,490
261	434	-	-	695
-	-	-	-	452
-	-	3,165	-	3,165
-	-	-	5,216	5,216
-	-	5	-	107
$ 261	$ 434	$ 3,170	$ 5,216	$ 466,033

(continued)

STATE OF HAWAII

University Funds
Combining Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances (Cont'd)

For the Fiscal Year Ended June 30, 1990

(Amounts in thousands)

	Current Funds		Loan	Endowment
	Unrestricted	Restricted	Funds	Funds
University Interfund Transfers In (Out):				
Mandatory:				
Principal and interest	$ (2,719)	$ -	$ -	$ -
Renewals and replacements	(190)	-	-	-
Contributions to Loan Funds	(41)	-	41	-
Voluntary:				
Renewals and replacements	(1,263)	-	-	-
Quasi-endowment - unrestricted principal	(13)	-	-	13
Quasi-endowment - restricted principal	-	(15)	-	15
Reinvestment of endowment income	(354)	(65)	-	419
Contributions to Loan Funds	(436)	-	436	-
Total University Interfund Transfers In (Out)	(5,016)	(80)	477	447
Operating Transfers In From:				
General Fund	308,050	123	-	-
Capital Projects Fund	-	-	-	-
Total Operating Transfers In	308,050	123	-	-
Net Increase in Fund Balances	9,817	854	2,867	1,713
Fund Balances, July 1, 1989	43,215	3,687	16,594	24,976
Fund Balances, June 30, 1990	$ 53,032	$ 4,541	$ 19,461	$ 26,689

Plant Funds				
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Total
$ -	$ -	$ 2,931	$ (212)	$ -
-	190	-	-	-
-	-	-	-	-
-	1,263	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,453	2,931	(212)	-
-	-	-	-	308,173
482	-	-	-	482
482	-	-	-	308,655
483	1,033	421	35,942	53,130
2,758	3,994	1,456	608,606	705,286
$ 3,241	$ 5,027	$ 1,877	$ 644,548	$ 758,416

Schedule J-3

University Funds
Schedule of Changes in Long-Term Bonded Indebtedness - Revenue Bonds

Last Three Fiscal Years

(Amounts in thousands)

	June 30,		
	1988	1989	1990
Bonded indebtedness - revenue bonds at beginning of fiscal year	$ 7,476	$ 7,206	$ 6,682
Less revenue bonds matured and redeemed during the fiscal year........................	(270)	(524)	(694)
Bonded indebtedness - revenue bonds at end of fiscal year	$ 7,206	$ 6,682	$ 5,988

Schedule J-4

University Funds
Schedule of Revenue Bonds Outstanding

Last Three Fiscal Years

(Amounts in thousands)

			June 30,		
Purpose	Interest Rate	Maturity Date	1988	1989	1990
University of Hawaii	3.500%	October 1, 1973/2001	$ 233	$ 220	$ 206
University of Hawaii	3.000	October 1, 1973/1999	122	108	94
University of Hawaii	2.875	April 1, 1974/2000	281	261	241
University of Hawaii	3.000	October 1, 1974/2006	2,065	1,985	1,900
University of Hawaii	9.400	October 1, 1984/1998	2,855	2,695	2,520
University of Hawaii	7.450	October 1, 1988/1991	1,650	1,413	1,027
Total bonded indebtedness - revenue bonds			$ 7,206	$ 6,682	$ 5,988

PART III: STATISTICAL SECTION

STATE OF HAWAII

Schedule K-1

Schedule of Revenues by Source - All Governmental Fund Types

Last Ten Fiscal Years

(Amounts in millions)

	For the Fiscal Year Ended June 30,									
Source	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Taxes:										
General excise	$ 1,175	$ 1,025	$ 920	$ 818	$ 747	$ 684	$ 640	$ 601	$ 577	$ 549
Income	769	839	692	604	506	474	439	371	322	381
Inheritance and estate	16	7	7	5	6	12	7	6	5	5
Liquor	40	39	38	130(1)	30	21	-	9	8	7
Pubic service companies	72	67	66	64	73	65	62	69	59	52
Tobacco	24	24	21	19	20	20	20	18	14	14
Insurance companies premiums	37	34	38	35	34	29	27	27	27	24
Franchise	20	16	12	15	5	4	-	(2)	4	6
Transient accommodations	83	76	67	24(2)	-	-	-	-	-	-
Liquid fuel	46	44	43	42	39	30	30	29	28	29
Motor vehicle	20	19	18	18	15	9	9	9	8	8
Other	8	6	5	4	2	2	2	2	2	2
Total taxes	2,310	2,196	1.927	1,778	1,477	1,350	1,236	1,139	1,054	1,077
Interest and investment income	153	107	66	52	60	63	52	79	92	78
Charges for current services	153	134	113	105	98	94	90	73	78	110
Intergovernmental	488	402	364	325	315	287	311	335	317	390
Rentals	14	12	11	10	11	10	10	23	21	21
Fines, forfeitures and penalties	18	15	14	13	13	12	9	9	8	7
Licenses and fees	6	7	4	3	4	3	4	3	3	3
Contributions from agencies participating in debt service requirements	- (3)	- (3)	40	40	40	41	40	40	38	36
Other	40	32	51	27	32	20	20	53	58	79
Total Revenues - All Governmental Fund Types	$ 3,182	$ 2,905	$ 2,590	$ 2,353	$ 2,050	$ 1,880	$ 1,772	$ 1,754	$ 1,669	$ 1,801

The following reclassifications were made in conformity with generally accepted accounting principles:

a. Effective with the fiscal year ended June 30, 1982, the State Hospitals and University systems were reclassified as Enterprise and University Funds, respectively.

b. Effective with the fiscal year ende [illegible] 30, 1984, Housing was reclassified as Enterprise Funds.

Prior to these reclassifications, the revenues of the Enterprise and University Funds were reported within the various revenue sources of the Governmental Fund Types. The prior fiscal years have not been restated to reflect these reclassifications.

(1) Includes $96 million of protested liquor tax payments held in the Trust and Agency Funds which were recognized as revenues for the fiscal year ended June 30, 1987.

(2) Effective January 1, 1987, the transient accommodations tax levied was authorized by Act 340, SLH 1986.

(3) Effective July 1, 1988, the contributions from agencies participating in debt service requirements were eliminated as the amounts are reflected as an operating transfer directly from the Special Revenue Funds to the Debt Service Fund.

Schedule of Expenditures by Function - All Governmental Fund Types

Last Ten Fiscal Years

(Amounts in millions)

	For the Fiscal Year Ended June 30,									
Function	**1990**	**1989**	**1988**	**1987**	**1986**	**1985**	**1984**	**1983**	**1982**	**1981**
General government	$ 380	$ 262	$ 206	$ 186	$ 176	$ 133	$ 116	$ 119	$ 136	$ 109
Public safety	138	128	121	137	120	88	78	75	65	60
Highways	191	127	136	118	119	102	136	139	110	115
Conservation of natural resources	41	36	37	24	29	29	26	37	26	28
Health	204	166	128	118	109	99	93	96	92	132
Welfare	491	410	393	341	322	321	326	328	317	298
Education	752	653	607	554	505	459	449	460	415	616
Culture and recreation	73	71	51	42	39	33	34	40	32	45
Urban redevelopment and housing	12	12	9	14	11	15	9	154	84	175
Economic development and assistance	122	103	87	69	57	35	32	38	36	36
Social security and pension contributions	58	71	105	108	142	175	151	145	115	94
Intergovernmental	73	42	33	31	18	18	18	18	18	18
Debt service	262	248	255	252	234	387	211	260	189	180
Other	34	20	29	18	20	20	23	14	13	12
Total Expenditures - All Governmental Fund Types	$ 2,832	$ 2,349	$ 2,197	$ 2,012	$ 1,901	$ 1,914	$ 1,702	$ 1,923	$ 1,648	$ 1,918

The following reclassifications were made in conformity with generally accepted accounting principles:

a. Effective with the fiscal year ended June 30, 1982, the State Hospitals and University systems were reclassified as Enterprise and University Funds, respectively.

b. Effective with the fiscal year ended June 30, 1986, health fund contributions are included in the expenditure function, general government, instead of being reflected in social security and pension contributions.

Prior to these reclassifications, the expenditures of the Enterprise and University Funds were reported within the various expenditure functions of the Governmental Fund Types. The prior fiscal years have not been restated to reflect these reclassifications.

STATE OF HAWAII

Schedule K-3

Schedule of Ratio of Net General Obligation Bonded Debt Per Capita

Last Ten Fiscal Years

(Amounts in thousands except per capita data)

Fiscal Year	Population (1)	General Obligation Bonded Debt(2) (3)	Less Debt Service Monies Available(2)	Net General Obligation Bonded Debt	Net General Obligation Bonded Debt Per Capita
1990	1,128	$ 1,967,556	$ 68	$ 1,967,488	$ 1,744
1989	1,116	1,913,456	255	1,913,201	1,714
1988	1,100	1,777,408	123	1,777,285	1,616
1987	1,078	1,746,657	172	1,746,485	1,620
1986	1,071	1,651,899	43	1,651,856	1,542
1985	1,056	1,608,397	30	1,608,367	1,523
1984	1,039	1,545,521	46	1,545,475	1,487
1983	1,023	1,486,880	4,276	1,482,604	1,449
1982	997	1,353,791	3,565	1,350,226	1,354
1981	981	1,215,824	2,880	1,212,944	1,236

(1) Source: Hawaii State Department of Business, Economic Development and Tourism.

(2) Source: Hawaii State Department of Accounting and General Services, Accounting Division.

(3) Excludes Enterprise and University Funds General Obligation Bonds.

Schedule of Ratio of Annual Debt Service for General Obligation Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

(Amounts in thousands except ratio data)

Fiscal Year	Principal	Interest and Fees	Total Debt Service	Total General Expenditures	Ratio Of Debt Service To General Expenditures
1990	$ 137,921	$ 123,676	$ 261,597	$ 2,831,556	9.24%
1989	133,741	114,124	247,865	2,348,642	10.55
1988	135,694	119,537	255,231	2.196,632	11.62
1987	128,434	123,162	251,596	2,011,822	12.51
1986	116,734	117,505	234,239	1,900,953	12.32
1985	105,664	111,128	216,792(1)	1,743,893(1)	12.43
1984	98,726	111,805	210,531	1,701,726	12.37
1983	141,868	118,082	259,950	1,922,847	13.52
1982	93,798	94,786	188,584	1,648,147	11.44
1981	87,906	91,930	179,836	1,917,946	9.38

(1) Excludes $170,415 payment made to trustee for extinguished General Obligation Bonds Series AS dated November 1, 1981 and Series AT dated June 1, 1982.

Schedule of Revenue Bond Coverage*

Last Ten Fiscal Years

(Amounts in thousands except coverage data)

Airports

Fiscal Year (1)	Gross Revenues(2)	Operating Expenses(3)	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Debt Service Requirements Interest	Debt Service Requirements Total	Coverage(4)
1990	$ 311,297	$ 81,759	$ 229,538	$ 18,540	$ 41,009	$ 59,549	385%
1989	271,611	79,724	191,887	17,385	37,355	54,740	351
1988	165,833	60,433	105,400	18,050	35,259	53,309	198
1987	132,139	60,737	71,402	14,295	32,795	47,090	152
1986	124,112	55,473	68,639	13,420	31,249	44,669	154
1985	120,084	54,927	65,157	12,390	28,916	41,306	158
1984	107,435	52,194	55,241	10,195	23,652	33,847	163
1982	88,178	48,615	39,563	8,550	20,753	29,303	135
1981	75,991	40,940	35,051	8,005	14,776	22,781	154

Harbors

Fiscal Year	Gross Revenues(5)	Operating Expenses(6)	Net Revenue Available for Debt Service	Debt Service Require-ments During the Fiscal Year	Add: 50% Debt Service Require-ments	Payments to Bond Reserve and Debt Service Reserve	Total	Coverage (4)
1990	$ 36,963	$ 13,846	$ 23,117	$ 9,245	$ 4,623	$ -	$ 13,868	167%
1989	34,793	13,495	21,298	7,701	3,851	-	11,552	184
1988	30,058	13,349	16,709	7,944	3,972	-	11,916	140
1987	28,851	13,448	15,403	5,953	2,977	-	8,930	172
1986	25,367	12,544	12,823	5,926	2,963	-	8,889	144
1985	24,217	11,757	12,460	5,863	2,932	-	8,795	142
1984	24,435	10,762	13,673	5,901	2,951	-	8,852	154
1983	23,895	10,030	13,865	5,860	2,930	-	8,790	158
1982	23,007	8,195	14,812	5,119	2,560	-	7,679	193
1981	18,634	8,151	10,483	3,511	1,756	40	5,307	198

(1) Information for the fiscal year ended June 30, 1983 not available.

(2) Total operating revenues plus interest income, exclusive of interest earned on investment in financing leases.

(3) Total operating expenses other than depreciation less (plus) excess of actual disbursements over (under) required reserve for major maintenance, renewal and replacement, plus amounts required to be paid into the General Fund for general obligation bond requirements.

(4) Airports and Harbors revenue bond indentures require a minimum debt service coverage percentage of 135%.

(5) Total operating and nonoperating revenues exclusive of interest income on investment in financing leases and Special Facility Construction Fund and Revenue Fund investments.

(6) Total operating expenses other than depreciation less loss on disposal of harbor facilities and State of Hawaii surcharge for central service expenses.

Source:

Airports: Fiscal Years 1981-1982 - Audited Financial Statements and Schedules of the State of Hawaii, Department of Transportation, Airports Division and various Airports System Revenue Bonds Official Statements.

Fiscal Years 1984-1990 - Audited Financial Statements and Schedules of the State of Hawaii, Department of Transportation, Airports Division.

Harbors: Fiscal Years 1981-1990 - Audited Financial Statements and Schedules of the State of Hawaii, Department of Transportation, Harbors Division.

*Information for the revenue bonds issued by the Housing and University Funds is not available.

Certificate of Legal Debt Limit

June 30, 1990

Section 13, Article VII of the State Constitution, as amended by the Constitutional Convention of 1978, states that general obligation bonds may be issued by the State, provided that at the time the bonds are issued, the issuance will not cause the highest total amount of principal and interest payable in the current or any future fiscal year on the issuance and on all outstanding general obligation bonds to exceed eighteen and one-half percent of the average of the General Fund revenues of the State in the three fiscal years immediately preceding the issuance. The general obligation bonds subject to this limitation exclude reimbursable and certain other specified bonds.

The following is the State Director of Finance's Certification dated November 28, 1990, reflecting the calculations evidencing compliance with the constitutional debt limit for the bond issue dated September 5, 1990, for $150,000,000.

CERTIFICATE AS TO DEBT LIMIT

I, the undersigned, YUKIO TAKEMOTO, being the duly appointed and acting Director of Finance of the State of Hawaii, do hereby certify with respect to $150,000,000 General Obligation Bonds of 1990, Series BS of the State of Hawaii (the "Series BS Bonds"), as follows: (i) the net general fund revenues of the State of Hawaii in the fiscal year ended June 30, 1988 were $2,135,842,312, the net general fund revenues of the State of Hawaii in the fiscal year ended June 30, 1989 were $2,344,160,356 and the net general fund revenues of the State of Hawaii in the fiscal year ended June 30, 1990 were not less than $1,519,997,332 and therefore the average of general fund revenues of the State of Hawaii in the fiscal years ended June 30, 1988, 1989 and 1990 will not be less than $2,000,000,000; (ii) eighteen and one-half percent (18-1/2%) of such average is $370,000,000; (iii) the Exhibit on the reverse hereof truly and correctly sets forth (A) the amount of principal and interest payable in the current and each future fiscal year to and including the fiscal year ending June 30, 2012 on all general obligation bonds of the State of Hawaii outstanding as of August 1, 1990, (B) the amount of principal and interest payable in the current and each future fiscal year to and including the fiscal year ending June 30, 2011 on the Series BS Bonds, (C) the amount of principal and interest payable in the current and each future fiscal year to and including the fiscal year ending June 30, 2012 on general obligation bonds (other than the Series BR and Series BS Bonds) which may be excluded under Section 13, Article VII of the 1978 Constitution in determining the power of the State to issue general obligation bonds, and (D) the total amount of principal and interest payable in the current and each future fiscal year to and including the fiscal year ending June 30, 2012 on all outstanding general obligation bonds and the Series BS Bonds; (iv) as indicated by the Exhibit on the reverse hereof, the greatest total amount of principal and interest payable in any fiscal year on all general obligation bonds of the State of Hawaii outstanding as of August 1, 1990 and on the Series BS Bonds occurs in the fiscal year ending June 30, 1992 in the amount of $249,858,255; (v) such amount does not exceed eighteen and one-half percent (18-1/2%) of the average general fund revenues of the State in the fiscal years ended June 30, 1988, 1989 and 1990; (vi) as of the date hereof, the State of Hawaii has not incurred any general obligation indebtedness as guarantor of a contingent liability and has not issued any general obligation bonds since August 1, 1990 except for the Series BS Bonds being delivered to the purchasers thereof on the date hereof.

Done and delivered at New York, New York, this 5th day of September, 1990.

YUKIO TAKEMOTO
Director of Finance
of the State of Hawaii

Exhibit

Fiscal Year Ending June 30	Total amount of principal and interest payable on all general obligation bonds outstanding as of August 1, 1990	Total amount of principal and interest payable on the Series BS Bonds	Principal and interest excludable under Section 13, Article VII Hawaii Constitution *	Total amount of principal and interest payable on all outstanding general obligation bonds and the Series BS Bonds
1991	$ 240,340,022	$ 5,332,307	$ 28,556,050	$ 217,116,278
1992	271,053,598	10,664,565	31,859,907	249,858,255
1993	265,236,448	10,664,565	29,434,421	246,466,591
1994	253,277,009	18,655,746	26,771,025	245,161,729
1995	247,908,303	17,968,109	26,142,714	239,733,697
1996	223,602,475	17,353,403	23,418,061	217,537,816
1997	200,313,303	16,807,460	18,735,163	198,385,599
1998	184,694,303	16,253,183	17,395,074	183,552,411
1999	165,326,754	15,690,570	16,271,702	164,745,621
2000	159,182,943	15,121,706	14,639,952	159,664,696
2001	140,788,080	14,548,675	12,555,960	142,780,794
2002	135,215,421	13,969,393	12,014,316	137,170,497
2003	125,219,734	13,385,943	10,438,066	128,167,610
2004	112,117,466	12,802,493	9,267,934	115,652,024
2005	79,576,238	12,214,875	6,241,156	85,549,956
2006	82,176,454	11,617,218	5,726,943	88,066,728
2007	73,106,069	11,020,590	5,138,262	78,988,396
2008	64,367,626	10,420,830	4,129,979	70,658,476
2009	55,977,841	9,818,988	2,601,685	63,195,143
2010	28,813,819	9,220,260	1,849,453	36,184,625
2011	1,889,550	8,626,748	1,858,946	8,657,351
2012	947,600		932,252	15,347

* Assumes that no exclusions under Section 13 of Article VII of the Constitution will apply to the Series BR and Series BS Bonds. In fact a portion of the proceeds of the Series BR and Series BS Bonds is expected to be applied to purposes which will permit exclusion under said Section 13.

STATE OF HAWAII Schedule K-7

Schedule of Demographic Statistics

Last Ten Years

(Population amounts expressed in thousands)

Year	Population(1)	Per Capita Income(2)	School Enrollment(3)	Unemployment Rate(4)
1990	1,128	$ NA	202,641	2.80%
1989	1,116	18,472	203,358	2.60
1988	1,100	16,840	202,419	3.20
1987	1,078	15,540	201,188	3.80
1986	1,071	14,673	200,952	4.80
1985	1,056	13,900	200,869	5.60
1984	1,039	13,157	200,240	5.60
1983	1,023	12,641	200,129	6.50
1982	997	11,759	200,844	6.70
1981	981	11,273	202,972	5.40

(1) Source: Hawaii State Department of Business, Economic Development and Tourism.

(2) Source: U. S. Department of Commerce, Bureau of Economic Analysis, printouts dated August 1990.

(3) Source: Hawaii State Department of Education records. Data represents September enrollment for both public and private schools.

(4) Source: Hawaii State Department of Labor and Industrial Relations records. 1990 based on data for the first 10 months.

NA Not available for 1990.

STATE OF HAWAII

Schedule K-8

Schedule of Bank Deposits

Last Ten Calendar Years

(Amounts in millions)

Calendar Year	Bank Deposits
1990	$ NA
1989	13,671
1988	11,293
1987	9,972
1986	9,072
1985	8,057
1984	7,184
1983	6,584
1982	6,020
1981	5,433

Source: Hawaii State Department of Commerce and Consumer Affairs, Division of Financial Institutions, Comparative Statements of Condition as of December 31. Data for the period 1985 - 1989 include State-chartered institutions only.

NA Not available for the calendar year 1990.

STATE OF HAWAII Schedule K-9

Schedule of Miscellaneous Statistics

June 30, 1990

Date of statehood	1959
Form of government	Legislative-Executive-Judicial
Number of State employees*	53,550
Area in square miles	6,425
Miles of streets and highways Δ	4,092
Recreation and culture:	
Number of parks and historic sites*	77
Total acreage*	24,877
Number of libraries*	49
Public safety:	
Number of fire personnel*	1,497
Number of police personnel*	3,052
Sewage (millions of gallons)*	50,369
Water system:	
Number of services*	205,442
Consumption (millions of gallons)*	68,543
Education:	
Number of schools*	374
Number of teachers*	11,856
Hospitals:	
Number of hospitals	52
Number of beds	6,854

* Represents 1989 data.
Δ Represents 1988 data.

Source: The State of Hawaii Data Book, 1990 (Draft), except for public safety personnel. Public safety personnel reflects data from the counties' comprehensive annual financial reports.